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TODAY: LEISURE

Doubting Accord, Clinton and Yeltsin Meet

By John Vinocur
International Herald Tribune

HELSINKI — Presidents Bill Clinton and Boris Yeltsin met Thursday night at the start of a U.S.-Russian summit conference on expanding NATO that was edged with Russian irritation and the likelihood of ongoing disagreement.

Both sides said it was virtually certain that no compromise could be found in two days of talks here to both smooth the way to the alliance's enlargement with members from the former Soviet-led Warsaw Pact and provide Russia with sufficient inducements and face-saving elements to avoid new episodes of destabilizing political tension at home.

But strong differences in tone about the nature of their disagreement concerning the expansion program, scheduled to begin in July, remained in Russian and U.S. statements leading up to the opening dinner for Mr. Clinton and Mr. Yeltsin at the presidential palace in Helsinki.

As if good relations between the two powers could be buffeted by NATO enlargement, Mr. Yeltsin said in an arrival statement, "Let us not lose the partnership we have established and developed."

The approach was clearly softer than that employed for the last two days by Sergei Yastrzhembsky, the Kremlin spokesman, who said, "If NATO expansion goes ahead in the toughest and most negative scenario for us, Russia will be faced with the need to review its foreign policy priorities."

Asked to define the tone employed by the Russians, Michael McCurry, Mr. Clinton's spokesman, stressed the good personal relations between the two leaders and said, "There are always different degrees of public statements" that "reflect the anxieties concerned."

He seemed to suggest that much of theRussian edge was aimed at constituencies of Mr. Yeltsin. The Russian president was thought to be seeking a particularly forceful image after his long and disabling cardiac problems.

The outlook for disagreement was bluntly acknowledged, however, by Samuel Berger, the White House adviser for national security affairs. He made an effort at the same time to remove it from any particularly dramatic context.

"We're going to disagree on NATO enlargement," he said. "And I don't expect them to change their view and they shouldn't expect us to change our views. And the issue is how we work together in spite of that issue on which we disagree.

"But on this issue we will agree to disagree."

The meeting, held in Finland because the United States wanted to spare Mr. Yeltsin the rigors of a trip to the United States, had its ironies. Of the two leaders, it was Mr. Clinton who was in far greater discomfort after his knee surgery. He had to be removed in a wheelchair from Air Force One, placed in a catering truck and lowered to the runway before he entered a specially remodeled van for the trip to Helsinki on his arrival.

Mr. Yeltsin appeared lean and ruddy. He said he expected that he and Mr. Clinton would part as friends although the talks would be difficult.

The two presidents appeared before photographers before their dinner. Both were seated, and Mr. Clinton had his right leg extended in front of him.

He reminded the group that this was his 11th meeting with Mr. Yeltsin and said he was glad to see him "looking so fit and well."

"I think we'll work something out," Mr. Clinton said.

Igor Malachenko, chief of the Russian television network and a man often described as a confidant of the Russian president, described disagreement with Mr. Clinton as a domestic plus for Mr. Yeltsin, who could be "no less tough than Alexander Lebed," the former Russian security adviser who also was a commander in Afghanistan. But he stressed that no new division between

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Yuri Kadobnov/Agence France-Presse
President Boris Yeltsin waving Thursday upon arrival in Helsinki.

Clinton Is Down, Yeltsin Up, Up, Up

Reuters

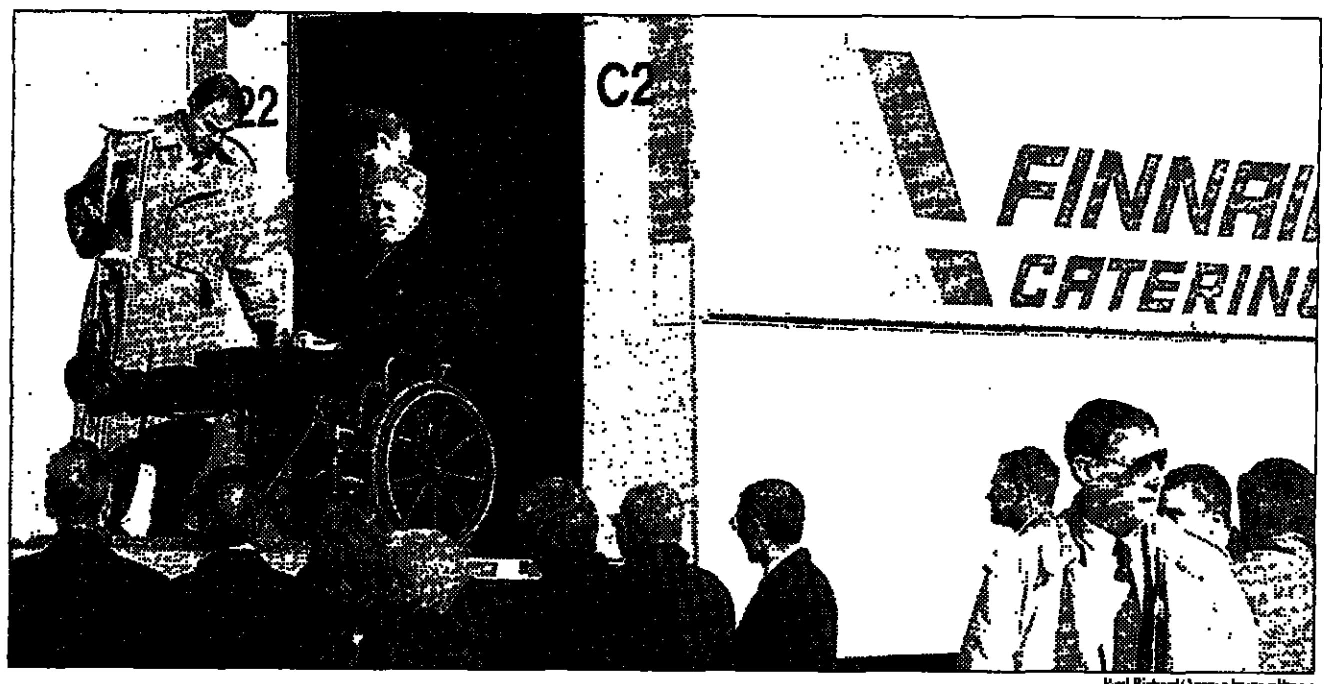
HELSINKI — Boris Yeltsin's imagemakers, struggling for months to prove he is fit to rule Russia, could not have asked for a more welcome scene at Helsinki's airport on Thursday.

President Bill Clinton, in a wheelchair, was taken off the plane in a catering truck. It took a while but he eventually emerged, smiling sheepishly, his right leg stuck out in front because of knee surgery last week.

By contrast, the 66-year-old Kremlin leader, who earlier this year appeared unable to make the summit rendezvous because of a difficult recovery from heart surgery, looked nimble as he descended from his plane three hours later.

He smiled broadly as he was greeted and stood hatless in a freezing wind while a band played the Russian and Finnish anthems.

Since he could not stand, Mr. Clinton did without a musical welcome.



Paul Richards/Agence France-Presse
President Bill Clinton, in his wheelchair, being lowered to the ground after his flight to the talks in Finland.

Poverty Marches to Forefront in Thailand

By Michael Richardson
International Herald Tribune

BANGKOK — A disgruntled throng of more than 10,000 impoverished farmers and landless laborers camped on the road outside the prime minister's office in Thailand is a vivid reminder that all is not well in a country that only a few years ago was praised by the World Bank as a model developing economy.

The protesters, who call themselves the Assembly of the Poor, say they will not leave until the government agrees to carry out sweeping agricultural reforms, including granting land titles to poor farmers and financial compensation for those displaced by dam building, forestry projects and industrial expansion.

"Only the rich, who already own a lot of land and have the money to bribe officials to register it, have proper land titles," said Vanida Tantivitayapitak, a spokeswoman for the assembly. "Poor people cannot afford to make payoffs and go through the long bureaucratic process of getting a deed for the land they till."

Prime Minister Chaovalit Yongchaiyut a former armed forces commander, has expressed sympathy for the plight of the poor, and his political power base is in northeast Thailand, where many of the protesters come from. But neither he nor any of his ministers have found time to meet a delegation of the demonstrators since they set up their makeshift camp in January.

The government has other pressing concerns on its agenda, although critics say it is neglecting social, political and economic problems that are an even more serious long-term threat to stability and sustainable growth in Thailand.

The government's immediate concern is a financial crisis arising from loans by Thai banks and finance companies worth 800 billion baht ($30.9 billion) to property companies to build homes and offices, mainly in Bangkok, many of which are now vacant.

With a real estate boom in the early 1990s, an emerging urban middle-class snapped up houses, apartments and condominiums, and Thai and foreign companies sought upmarket office space. "Developers have been borrowing and spending money like there was no tomorrow," said a senior Thai ex-

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Sakchai Lalit/The Associated Press
Members of the Assembly of the Poor doing a traditional dance as they protested near Parliament in Bangkok.

Delta Picks Boeing in Exclusive Deal

By Barry James
International Herald Tribune

In the kind of deal that is likely to become more frequent as the global aircraft manufacturing industry settles around two major poles, Delta Airlines announced Thursday that it would buy its planes exclusively from Boeing Co., starting with a firm order for 106 aircraft worth $6.7 billion to be delivered by 2006.

Delta's chairman, Ron Allen, said the airline also had retained options for 124 aircraft, bringing the value of the initial order to $15 billion. But the airline also tied itself to a 25-year agreement with Boeing that could eventually total 644 aircraft, the Atlanta-based company said.

The agreement could eclipse a preliminary agreement made last year by Airbus Industrie, the European consortium, to sell up to 400 aircraft, potentially worth $18 billion, to USAir.

Boeing shares closed Thursday at $104.875, up 87.5 cents, on the New York Stock Exchange. Delta shares fell 12.5 cents to close at $84.375.

In common with other U.S. carriers, both Delta and USAir, which has since changed its name to USAirways, have aging and heterogeneous fleets acquired in a decade of mergers and consolidations. Industry experts said it made sense for airlines to buy "families" of aircraft from the same manufacturer because it gives them more flexibility to shape their fleets to match market requirements, simplifies their parts inventories and cuts the cost of training and assigning air crew.

Delta plans to replace its elderly Lockheed L-1011 jets, about 10 percent of its fleet, by the end of the

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AGENDA

Clash in Bethlehem

Palestinians and Israeli troops clashed in Bethlehem on Thursday during a march to protest Israel's decision to start work on housing in East Jerusalem. Page 2.

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International Education in Benelux

International Classified Page 4.

The IHT on-line http://www.iht.com

The Dollar		
New York	Thursday @ 4 P.M.	previous close
DM	1.6925	1.681
Pound	1.5935	1.598
Yen	123.755	12.75
FF	5.7145	5.671

The Dow		
	Thursday close	previous close
-57.4	6820.28	6877.68

S&P 500		
change	Thursday @ 4 P.M.	previous close
-3.15	782.65	785.80

A Historic Settlement In Cigarette Lawsuits

Large Concessions by Maker of Chesterfields

Compiled by Our Staff From Dispatches

WASHINGTON — The maker of Chesterfield cigarettes agreed to announce a historic settlement of anti-smoking litigation late Thursday that contained unprecedented concessions by a tobacco company, including the admission that nicotine is addictive, state law enforcement officials said.

Under the deal, persons familiar with the negotiations said, Liggett Group Inc. agreed to place a warning on cigarette packs that smoking is addictive and causes cancer and to pay as much as $25 million, plus 25 percent of its pretax profit for 25 years.

In return, the attorneys general of 22 states would drop their lawsuits against the company and might give Liggett immunity from future state claims.

No cigarette company has ever admitted a link between tobacco and cancer or other health problems. The tobacco industry has dismissed scientific evidence to the contrary as inconclusive.

"The fallout from this agreement will be felt well into the 21st century, and it should end once and for all the farce of industry denials about their illegal and deceptive conduct," said Attorney General Scott Harshbarger of Massachusetts, head of the National Association of Attorneys General.

He said the evidence could be used in the numerous lawsuits against the tobacco industry. "This is a very significant victory, we believe," he said.

The settlement does not end state litigation against Liggett's competitors or affect more than 200 private lawsuits pending against cigarette makers. Nor does it provide a framework for a global settlement because other companies, unlike Liggett, are financially able to withstand a big damage award.

The agreement also calls for Liggett, which also makes the Eve brand cigarette, to give state officials internal documents that could help the 22 states in suits against other cigarette makers.

In a preemptive strike, Philip Morris announced that it won a temporary restraining order Thursday morning to prevent one part of the deal — Liggett's agreement to turn over thousands of documents believed to incriminate the

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Is Macedonia Next for the Ethnic Pyre?

By Mike O'Connor
New York Times Service

TETOVO, Macedonia — In an office above the streets of this ancient city of Albanian people, where the clothing and crowds reflect the flavor of the Middle East, a quiet, obviously thoughtful man said the words that make many Macedonians fear theirs will be the next Balkan country to fall into ethnic turmoil.

"We are not Macedonians, we are Albanians who live in Macedonia," said Arben Xhaferi, leader of an Albanian political party whose nationalist positions have been gaining considerable support from Albanians in Macedonia. "We cannot be part of this state if there is only one official language and one approved culture and it is not ours."

With unrest in Albania, which borders Macedonia to the west, many Albanians in this country say they feel under increasing pressure to curtail their campaign for greater protection of their civil rights.

But despite the pressure, leaders like Mr. Xhaferi say, they are becoming more assertive.

At the same time, foreign diplomats and Macedonian politicians say the scenes of thousands of Albanian gunmen running through the country next door reinforce the position of Macedonian nationalists who insist that the demands of the country's Albanian minority, who account for about one-quarter of the population, must not be granted.

"We are seeing the old fears between the two ethnic groups come right to the surface," a foreign official said. "I won't say it will continue to spiral upward, but I can't say it will not."

The leader of the largest opposition bloc in the national legislature, Stojan Andov, had a much gloomier prediction. "We moderates have about a 20 percent chance of stopping the chaos in Albania from spreading here," he said.

"The extremists are spreading a fire. Each side gets stronger. The fire from Albanian nationalists frightens the average Macedonian and makes some of them move toward the extremist position. Then the extremists among the Macedonians say things that frighten the average Albanian, and they get more extreme."

He said he felt like one of the politicians in Bosnia-Herzegovina who, six years ago, tried to calm the nationalist mood as that country headed to war.

Macedonia, with a population of about two million, escaped the violence that enveloped much of the region as Yugoslavia dissolved.

But it is the gulf between Albanian

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Newsstand Prices

Andorra	10.00 FF	Morocco	16 Dh
Antilles	12.50 FF	Qatar	10.00 Rials
Cameroon	1.600 CFA	Réunion	12.50 FF
Egypt	£E 5.50	Saudi Arabia	10.00 R.
France	10.00 FF	Senegal	1.100 CFA
Gabon	1100 CFA	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1.250 Din
Ivory Coast	1.250 CFA	U.A.E.	10.00 Dirh
Jordan	1.250 JD	U.S. Mil. (Eur.)	$1.20
Lebanon	LL 3,000		

Pregnant Ulster Inmate Puts England on Spot

By Erik Ipsen
International Herald Tribune

LONDON — The daughter of one of Northern Ireland's most famous radical politicians on Thursday stepped up a high-profile struggle with the British government that has already made her one of the biggest causes in the province in more than a decade.

Roisin McAliskey is seven months pregnant and in detention in a north London jail, awaiting possible extradition to Germany for questioning about a terrorist attack. On Thursday, she threatened to run for Parliament unless the government granted her request for bail.

Ms. McAliskey, who has been in detention for four months, has become a major thorn in the side of the British government.

Her battle with Whitehall comes almost exactly 28 years after her fiercely nationalistic mother, Bernadette McAliskey.

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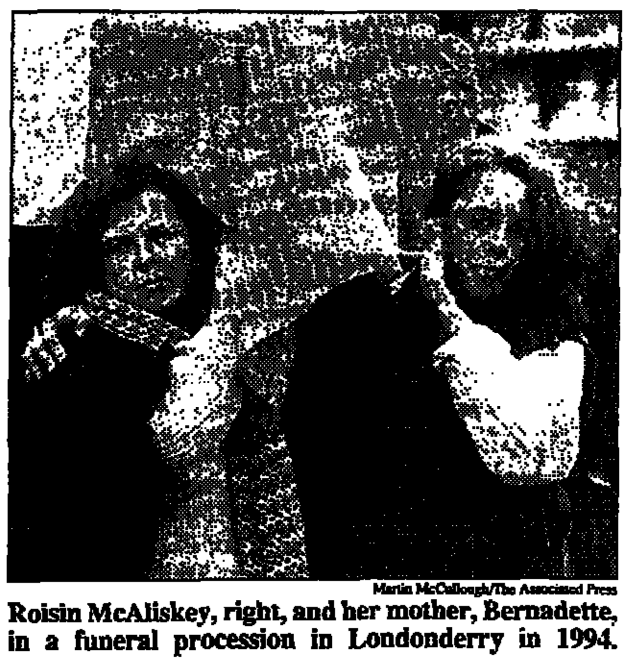
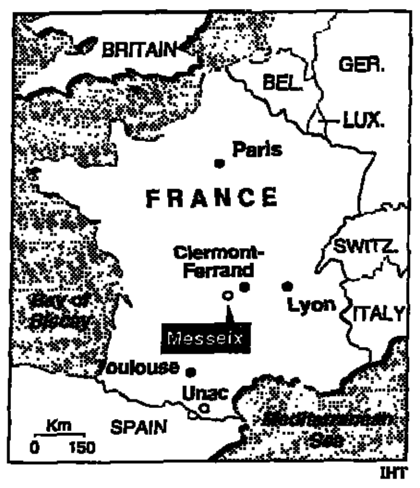


Martin McCullough/The Associated Press
Roisin McAliskey, right, and her mother, Bernadette, in a funeral procession in Londonderry in 1994.

When Villages Die / **'No One Will Move Here'**

Rural Exodus Leaves Behind a France of Memory

By Charles Trueheart
Washington Post Service



Charles Trueheart/The Washington Post

The rough-hewn humility of France's rural life has always served as a psychic national counterpoint to Parisian sophistication. Now it threatens to become mere folklore.

MESSEIX, France — When the coal mines were running on three shifts a quarter-century ago, there were 30 bars doing business in this mountain village in south-central France. The cafés' countertops were warm with cups and glasses, elbows and coins. Now there are two such places.

Of an afternoon, Marcelle Bony pushes a damp cloth across a bare counter at the Café de la Mairie. The mines are long closed, most of the schools and businesses shuttered, the playground equipment rusted. Perhaps 1,000 people live here and in surrounding hollows now, down from 3,000. Like pockets of Messeix itself, tinier outlying communities gradually are being left empty, often falling to ruin.

"Two years ago we had 40 people die, and last year, 36," Miss Bony said. Most of those who remain are retired. "There are more widows than couples," she said. "I wonder how long it can last."

Down the road in Bogros, a hamlet of a few hundred souls, one young person has found a reason not to leave just yet. A government-funded, half-time, minimum-wage grant has given Marie-Laure Amadon, 21, a job looking after and leading the occasional tour of the former schoolroom. It was abandoned in its prewar state — black tunics on hooks, full inkwells and jars of formaldehyde and snake skeletons — when more than half of all French people lived in places such as this. Now fewer than one in 10 do.

When the year is up, Miss Amadon probably will end up in a bigger town or city. "If I find work that's worth going for, I'll go, that's for sure," she said.

This rugged country astride ancient volcanoes has undergone seismic social and economic change since World War II. The "glorious 30" years of postwar reconstruction that made France the world's fourth-biggest economic power — and the second-largest agricultural exporter — kept isolated places like this alive long past the day when other European countries had become industrialized and citified.

Now France's once heavily rural population base has shifted to Paris and other great cities as generations have found jobs in factories and homes in swelling suburbs. Just as the song predicted, keeping them down on the farm is no longer an option.

The trend toward urban agglomerations is neither new nor unique to France. But as Europe's largest country in area, and the one with the lowest population density by far, France is exceptional in its heritage of rural life and its still-muscular farm economy. By depleting rural areas of people, urbanization has accentuated what pass for Europe's most wide-open spaces.

The migrants left behind a France of memory and postcard, of rolling farmland with outcroppings of stone buildings housing a few score people. Across a diagonal swath bisecting France from the Pyrenees mountains in the southwest to the Ardennes in the northeast at the Belgian border, the village is dying a slow death.

With its passing goes a piece of the French identity. The rough-hewn humility of rural life has always served as a psychic national counterpoint to Parisian sophistication. Now it threatens to become mere folklore.

The village represents the tamed and civilized wilderness that the French prefer to wilderness itself. "Nature is a form of culture here, and the village is a part of nature," said Nicole Eizner, a scholar of rural life at the University of Paris.

Asked about the prospects for survival or tourist potential, residents of this region in the Massif Central, 480 kilometers (300 miles) south of Paris, mention nature trails and thermal baths, or the local artisans who maintain authentic local industries making jam or pottery. They mention, too, a small museum in their town — of mining, of tanning, of railroading: a bygone society in amber.

There are plenty of testaments to rural flight — vacant post offices, shuttered police stations, empty pulpits — but the most definitive are school closings. "When a school closes in a little village, that's the end of the little village," lamented Simone Descat, who lives in Unac, a cluster of stone buildings in southwestern France. "No one will move here."

A third of Unac's 90 people now live in a distant city and come only for the weekend or on holidays — and in that respect Unac, in a sunny clime near French and Spanish cities, is more fortunate than most. Another 30 villagers are over 60 — well over 60, Mrs. Descat said.

The other third hang on, do their shopping and school their children in other towns. The talc plant where Mrs. Descat has worked since her children left home has lost more than half its employees since the late 1970s and is scheduled to close by 2005.

Since 1967, 50,000 businesses have disappeared in rural France, casualties of the precipitate consolidation of farms, which have dwindled from 3 million in 1965 to 700,000 today. Some 1,200 towns and 15,000 villages are threatened with the phenomenon the French call "desertification," or "the France of the void."

People who live in the supposed desert vigorously reject such terms. "There's nothing fated about decline and depopulation," said Raymond Cerruti, mayor of Riom-es-Montagnes, near here. "But we can't go on and on the same way."

Miss Eizner, the scholar, said: "I don't believe the theory of the void. We should think of restructuring rather than desertification."

IT COSTS the French government millions of francs to slow the decline of its rural communities, with work programs to keep the roadsides tidy or grants to keep a bakery open, to say nothing of huge European agricultural subsidies.

Maintaining services or catering commercially to scattered populations of only a few hundred is inefficient. One new government program established hundreds of village centers consolidating postal and banking services, fax and photocopy machines, tobacco and basic foodstuffs. As meeting places, villagers and bureaucrats hope, such sites will preserve the human intercourse that keeps villages together.

At the northeastern end of France's sash of dwindling population, not far from where Champagne grapes are grown, one village mayor said he believes the problem often lies in stubborn rural attitudes. Many farmers know about potential buyers for their land or other potential business opportunities, said Olivier Brun, mayor of Athis.

"But they say, 'It's not for us. I don't have the time. I'm not interested,'" he said. He also hears excuses: "If city people moved here, they might want the same services. They might not want to hear the cock crow or the church bells at night. They might not like what the farm animals leave on the roads."

As mayor of his town of 800 — up from 540 two decades ago — Mr. Brun has served a role essential in a country where the state has been a generous partner in private enterprise for centuries. He has been a conduit for local, regional, national and now European grants.

One project of which he is proud, he said, is the construction of rental housing. The architect who was first approached to build the units called the idea "crazy." But Mr. Brun said he understood that renters would not just help the town grow, but would keep its schools open to sustain the growth. Renters tend only to rent for a few years, he supposed, ensuring that the school-age population would renew itself. It has.

Jean-Claude Walchli is also sticking it out in his village, Condat, about 25 kilometers from here. Mr. Walchli heads a family-owned company that buys milk from local farmers to make St. Nectaire and other cheeses. In an interview at his factory, he said most of the region's cheese production is in the hands of an old farmers' cooperative, now partly in private hands, and another big French company.

But as Condat has shrunk in the last 25 years, pressures to restructure are great. "The drama of our little region," Mr. Walchli said, is that economic planners and the big cheese producers want to move their production to flatter pastures to take advantage of economies of scale and transportation links. They are urging farmers around Condat to switch, after many centuries, to raising livestock for meat instead of milk — work that requires only a quarter of the labor.

Is he ever tempted to sell his business? "From the point of view of finance, yes," Mr. Walchli said. "From the point of view of spirit, no. We are very independent."

Palestinians Clash With Israel Troops

Violence in Bethlehem Protests New Housing

Compiled by Our Staff From Dispatches

BETHLEHEM — Hundreds of Palestinians stoned Israeli troops guarding the grave of a biblical matriarch Thursday in this Palestinian-controlled city. The soldiers responded with rubber bullets, tear gas, water cannon and sound grenades.

The clashes, which lasted more than three hours, erupted during a Palestinian march to protest Israel's decision to start work on housing in East Jerusalem, which the Palestinians claim as a future capital.

Both Palestinian and Israeli officials tried to contain the violence, which did not spread beyond Bethlehem.

Palestinian police held back the demonstrators for several hours, and Israeli soldiers took the unusual step of bringing in water cannon — more commonly used to quell demonstrations inside Israel — before resorting to rubber bullets.

The Israeli Army barred tourists from entering Bethlehem after stones were reported to have been thrown at a tourist bus. Israelis have been barred from all Palestinian cities since ground was broken for the Har Homa neighborhood at the edge of Jerusalem on Tuesday.

In Bethlehem, fire bombs were thrown at soldiers at Rachel's Tomb, the scene of the clashes, Israeli and army radio stations reported.

Meanwhile, five families of Jewish settlers moved into a home in the Arab neighborhood of Silwan in East Jerusalem. Since 1991, at least 18 settler families have moved into Silwan, an area just below the Old City's walls that is home to 30,000 Palestinians.

The government said it had not initiated the latest move by the settlers.

Yasser Arafat, in an angry speech to Palestinian legislators before he left for Egypt, accused Prime Minister Benjamin Netanyahu's government of "trickery and conspiracy on the peace process."

He asked, "Do they think us dumb or lazy children?" and said: "We reject Israel's attempts to decide the future of Jerusalem unilaterally. There will be no peace without Jerusalem."

Mr. Arafat added that Palestinians were "not responsible for the consequences" of Mr. Netanyahu's decision, which he said would "lead to the destruction of the peace process and push the area into a cycle of violence."

Defense Minister Yitzhak Mordechai of Israel, visiting troops guarding the Har Homa construction site, urged Palestinians to come back to negotiations with Israel "to find how we can move forward together."

Mr. Mordechai also said he had received new intelligence warnings indicating more violence could follow Muslim prayers Friday.

"We would very much not like to get to that," he said. "Violence and terrorist activity will not help anybody."

Mr. Arafat and Dore Gold, an envoy sent by Mr. Netanyahu, crossed paths in Cairo, the center of Arab consultations on the crisis in Middle East peace talks.

Officials said Mr. Arafat would see President Hosni Mubarak of Egypt while Mr. Gold would see Mr. Mubarak's foreign-policy adviser, Osama Baz.

"I'm here to convey a message from Israel to Egypt, and we have a very new proposal about the peace process to discuss," Mr. Gold said.

He was apparently referring to Mr. Netanyahu's offer to complete "final status" talks with the Palestinian Authority within six months, nearly two years earlier than planned under the peace accord. Palestinians have dismissed the offer as a trick.

A Palestinian negotiator, Nabil Shaath, said the most important goal was to stop Israel from building settlements such as the latest project, which envisions 6,500 homes for Jews in East Jerusalem.

Israel occupied East Jerusalem along with the rest of the West Bank in the 1967 Middle East War and considers all of the city its capital. *(AP, Reuters)*

U.S. Is Said to Be Reviewing Its 'Containment' Policy on Iran

By Joseph Fitchett
International Herald Tribune

Makers of foreign policy in the Clinton administration are engaged in discussions about future stability in the Gulf and specifically on possible changes in U.S. policy toward Iran, according to former U.S. officials and cabinet-level figures in Arab governments.

This top-level discussion about long-term options concerning Tehran appears to have put a new policy overlay on a question that until recently dominated U.S. thinking about Iran: whether the United States will respond militarily if Tehran turns out to be implicated in the Khobar Tower bombing last June in Saudi Arabia that killed 19 U.S. Air Force personnel.

Declining detailed comment on the subject as "too sensitive for discussion," a White House source said that the stakes in the Gulf were "so high for U.S. policy that we are going to manage that situation at our own pace and on our own cue."

Any hint of reopening U.S. policy toward Iran, traditionally the dominant power in the Gulf, is controversial in Washington, where the regime remains a pariah 18 years after the ayatollahs seized power.

U.S. attitudes toward Iran preoccupy not only neighboring Saudi Arabia but also European governments because of the Gulf's strategic importance.

While academics have suggested in recent months that Iran may be losing its zeal to destabilize its neighbors, it is only now that the Clinton administration's inner circle on strategic issues seems to be re-examining U.S. options to see if there is an alternative to its Gulf policy of "dual containment" — in effect, treating both Iraq and Iran as pariah states.

"It's a posture, not a policy," Zbigniew Brzezinski, a former national security adviser, said about the U.S. position, adding that it did not allow for any evolution in Tehran's attitudes or behavior.

Now there is "deliberation" about Iran in Washington among a small circle of officials, Mr. Brzezinski said this week in Paris. He said he assumed the U.S. goal was to see if there were grounds for a gradual convergence of views, perhaps over a decade, about the need for regional stability in the Gulf.

A possible new horizon for relations, several officials said, could take the form of a common Western position offering Tehran the prospect of slowly expanding economic ties, if Iran were willing to respect a general code of peaceful co-existence, especially with its oil-rich Arab neighbors in the Gulf.

To forge a common Western front, the United States would have to pledge not to escalate its economic pressure into an all-out attempt to isolate Iran, while Germany, France and Italy would agree not to expand their business dealings with Tehran.

That Western line could then be adjusted over the years in conjunction with Iranian actions, diplomats said.

This approach would fit a widely noticed comment by Secretary of State Madeleine Albright during her recent visit to Paris when she suggested that the United States and Europe together try to find a joint approach to Iran.

She said that Europe and the United States had failed with their respective policies of critical dialogue and critical silence toward Iran.

Economically, Iran has been crippled by the U.S. trade embargo, which was recently strengthened by a controversial law calling for U.S. sanctions against foreign oil companies that make major investments in Iranian energy development.

Enough countries, including Russia, trade with Iran to keep the economy functioning.

But the time may be approaching when the Tehran regime, faced with a credible Western array of carrots and sticks, might be ready to explore formulas for co-existence with its neighbors and the West, according to U.S. and Arab officials.

To allow time for Washington to explore these possibilities, the Saudi authorities appear to have put off again their report on the Khobar bombing.

The report could create political pressures by absolving Iran or offering conclusions that called for swift U.S. actions.

Already, Iran has threatened violent reprisals against Saudi Arabia and Bahrain if the United States strikes Iranian targets, according to officials from both Arab countries.

But U.S. officials recently denied any preparations for punitive air strikes, calling the reports Iranian disinformation designed to unsettle Arab governments.

After consultations in Washington and European capitals, Saudi Arabia's defense minister, Prince Sultan ibn Abdulaziz, said last week that the investigation needed to be extended.

At the time of his visit, a White House official said that Washington had no intention of being stampeded into action "by a single report written by a third government" — a reference to the Saudi Arabian report.

With the Khobar bombing now nearly a year old, the possibility of military reprisals, reportedly under consideration last fall, seems to have been folded into a larger effort by the Clinton administration to find a way around the dual-containment impasse.

Mr. Brzezinski said U.S. policymakers have scant room for maneuver because of congressional concerns about Iran's interest in nuclear weapons and terrorism and because of the apparent lack of unified political authority in Iran.

TRAVEL UPDATE

Sabena to Start Flights To Moscow on April 1

BRUSSELS (Bloomberg) — Belgium's national airline, Sabena, said it would start daily, direct flights to Moscow on April 1, in cooperation with the London-based airline Virgin Express.

The airline also said it would begin flights three times a week to Palma de Majorca, and increase flights to both Prague and Budapest to two per day.

Traffic Snarled in Italy

ROME (AP) — Transport workers held a one-day strike Thursday that shut down subways, left buses running on only a few routes and snarled traffic in Rome, Milan and other big cities.

Commuters either walked, braved the traffic in cars or waited in long lines for taxis.

Pact Eases Strike Risk At American Airlines

NEW YORK (NYT) — American Airlines and negotiators from its pilots union have reached an agreement in principle on terms of a new contract, making another strike by the pilots somewhat less likely.

But two significant hurdles remain to reaching a final agreement, and those uncertainties may give pause to travelers making plans to fly on American in late April, when a strike may still take place. A strike by the pilots on Feb. 15 was halted minutes after it began by President Bill Clinton.

The board of the Allied Pilots Association must vote on the deal, which it is scheduled to consider Friday or Saturday. If the board accepts the agreement, it will be put to a vote of the union's 9,000 members. If no settlement is reached by 12:01 A.M. on April 28, the pilots would be free to strike, but could be blocked by an act of Congress.

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A Close Brush For 2 Airliners

The Associated Press

NEW YORK — An air traffic controller allowed two airliners to fly too close to each other as one took off from La Guardia Airport and the other arrived, the Federal Aviation Administration said.

An agency spokeswoman attributed the incident to an "operational error."

The planes, from U.S. Airways and Delta, had a horizontal separation of one-and-a-half miles during the March 6 incident, but their vertical separation was just 500 feet, the agency found. It requires separation of 1,000 feet vertically and three miles horizontally.

Separately, the agency cleared the flight crews and controller involved in an earlier incident at La Guardia in which the pilots of two jets aborted their landings.

The spokeswoman discounted earlier accounts that those jets, from United Airlines and American Airlines, came within 50 feet of each other, saying an investigation showed that had not happened.

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Jetstream
Unseasonably Cold
Unseasonably Mild
Heavy Rain
Heavy Snow

North America
Showers will exit the East early Saturday, followed by a storm moving across the northern Rockies and Plains Sunday. This storm will affect the Midwest and Great Lakes Sunday. Turning cooler in the Rockies and Plains Monday with a chilly shot affecting the Northeast Sunday.

Europe
Most of Europe will enjoy moderating temperatures through Monday, except in the southeast, where chilly air will hang tough. A storm is expected to move across southern Scandinavia Sunday and Monday with unsettled weather slated to move from Amsterdam and Paris to Warsaw by Monday.

Asia
A disturbance could bring a shower to Seoul and Tokyo Sunday. Meanwhile, a chilly shot of air will move into Beijing and Seoul this weekend, then move into Japan Monday. The core of the cold shot will move across Manchuria. Warm in Hong Kong with a stray shower around each day.

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	22/71	12/53 pc	23/73	13/55 pc
Amsterdam	8/46	1/34 pc	8/46	5/41 r
Ankara	9/48	0/32 r	1/34	-11/13 sn
Athens	13/55	4/39 c	9/48	0/32 r
Barcelona	15/59	8/46 pc	16/61	8/46 pc
Belgrade	2/35	-7/20 pc	5/41	-7/20 c
Berlin	1/34	-5/24 sf	0/32	-6/22 pc
Brussels	8/46	1/34 pc	10/50	5/41 c
Budapest	2/35	-6/22 s	4/39	-7/20 pc
Copenhagen	1/34	-5/24 c	2/35	-4/25 pc
Costa Del Sol	24/75	13/55 pc	24/75	13/55 pc
Dublin	11/52	7/44 c	13/55	9/48 c
Edinburgh	8/46	7/44 c	10/50	7/44 r
Florence	12/53	3/37 s	14/57	2/35 s
Frankfurt	8/46	3/37 sh	8/46	3/37 c
Geneva	8/46	1/34 sh	10/50	1/34 c
Helsinki	-6/22	-11/13 c	-7/20	-13/9 c
Istanbul	9/48	3/37 sh	9/48	-2/28 pc
Las Palmas	22/71	14/57 s	20/68	14/57 s
Lisbon	18/64	12/53 pc	19/66	13/55 c
London	9/48	2/35 pc	10/50	7/44 s
Madrid	23/73	6/43 pc	19/66	4/39 sh
Mallorca	14/57	9/48 pc	14/57	9/48 pc
Milan	13/55	1/34 pc	14/57	2/35 pc
Moscow	-2/29	-6/22 sn	-3/27	-10/15 sn
Munich	6/43	1/34 sh	4/39	-3/27 sn
Nice	15/59	7/44 s	14/57	7/44 s
Oslo	-2/28	-9/16 pc	-3/27	-8/18 pc
Paris	9/48	2/35 pc	12/53	3/37 s
Prague	2/35	-3/27 sn	3/37	-4/25 c
Reykjavik	3/37	-1/31 sn	4/39	3/37 sh
Rome	14/57	4/39 pc	10/50	3/37 pc
St Petersburg	-4/25	-10/15 c	-4/25	-12/11 c
Stockholm	-3/27	-7/20 sn	-3/27	-9/16 sn
Strasbourg	8/46	0/32 c	8/46	2/35 pc
Tallinn	-6/22	-11/13 c	-7/20	-12/11 c
Venice	11/52	1/34 pc	12/53	1/34 s
Vienna	1/34	-3/27 c	2/35	-6/22 pc
Warsaw	-1/31	-7/20 pc	-1/31	-8/18 pc
Zurich	7/44	0/32 r	6/43	0/32 c

Middle East

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Abu Dhabi	26/79	13/55 s	28/82	17/62 s
Beirut	21/70	11/52 pc	14/57	8/46 pc
Cairo	28/82	9/48 s	20/68	9/48 pc
Damascus	20/68	5/41 pc	11/52	1/34 pc
Jerusalem	21/70	5/41 pc	11/52	3/37 pc
Luxor	34/93	9/48 s	31/88	8/46 s
Riyadh	27/80	13/55 s	28/82	14/57 pc

North America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Anchorage	3/37	-7/20 pc	2/35	-8/18 pc
Atlanta	24/75	13/55 s	21/70	7/44 sh
Boston	9/48	3/37 pc	10/50	-3/27 r
Chicago	18/64	-1/31 pc	10/50	-1/31 pc
Dallas	29/84	13/55 s	23/73	11/52 pc
Denver	19/66	3/37 pc	20/68	5/41 pc
Detroit	14/57	2/35 c	9/48	-3/27 pc
Honolulu	26/79	22/71 sh	29/84	20/68 pc
Houston	28/82	14/57 s	24/75	12/53 pc
Los Angeles	26/79	12/53 pc	24/75	10/50 pc
Miami	28/82	18/64 sh	29/84	18/64 pc
Minneapolis	8/46	-5/24 pc	10/50	-1/31 pc
Montreal	-4/25	-5/24 sn	0/32	-17/2 sn
Nassau	27/80	19/66 pc	28/82	20/68 pc
New York	12/53	7/44 pc	13/55	0/32 sh
Orlando	27/80	17/62 sh	27/80	14/57 pc
Phoenix	34/93	16/61 s	31/88	16/61 s
San Fran.	19/66	10/50 s	19/66	9/48 pc
Seattle	12/53	6/43 sh	13/55	3/37 sh
Toronto	3/37	-3/27 sn	-2/29	-15/5 pc
Vancouver	8/46	4/39 sh	11/52	-1/31 c
Washington	18/64	9/48 pc	18/64	2/35 sh

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Bali	33/91	22/71 s	32/89	22/71 pc
Bangkok	32/89	23/73 pc	32/89	23/73 pc
Beijing	13/55	3/37 pc	11/52	1/34 sn
Bombay	30/86	19/66 s	28/82	19/66 pc
Calcutta	34/93	21/70 pc	32/89	20/68 pc
Chiang Mai	33/91	21/70 pc	33/91	21/70 pc
Colombo	29/84	22/71 s	28/82	22/71 s
Hanoi	26/79	21/70 sh	26/79	21/70 pc
Ho Chi Minh	34/93	23/73 s	33/91	23/73 pc
Hong Kong	23/73	19/66 sh	24/75	19/66 pc
Islamabad	23/73	7/44 s	23/73	9/48 s
Jakarta	29/84	23/73 pc	29/84	23/73 sh
Karachi	27/80	12/53 s	26/79	12/53 s
K. Lumpur	32/89	23/73 pc	31/88	22/71 r
K. Kinabalu	32/89	24/75 pc	31/88	26/79 pc
Manila	32/89	21/70 pc	31/88	20/68 s
New Delhi	30/86	9/48 s	30/86	11/52 s
Phnom Penh	32/89	22/71 pc	32/89	23/73 pc
Phuket	32/89	23/73 pc	32/89	23/73 pc
Rangoon	32/89	22/71 pc	32/89	23/73 pc
Seoul	14/57	2/35 s	13/55	2/35 s
Shanghai	14/57	8/46 sh	12/53	8/46 r
Singapore	32/89	25/77 pc	32/89	26/79 pc
Taipei	23/73	21/70 r	28/82	21/70 pc
Tokyo	16/61	7/44 pc	17/62	6/43 r
Vientiane	25/77	20/68 sh	25/77	20/68 pc

Africa

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algiers	21/70	7/44 s	22/71	8/46 s
Cape Town	21/70	12/53 pc	22/71	13/55 s
Casablanca	23/73	14/57 s	25/77	14/57 s
Harare	30/86	12/53 s	32/89	13/55 s
Lagos	32/89	24/75 pc	31/88	24/75 sh
Nairobi	27/80	12/53 c	29/84	13/55 pc
Tunis	17/62	5/41 s	16/61	6/43 pc

Latin America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Buenos Aires	27/80	16/61 pc	28/82	16/61 r
Caracas	28/82	22/71 pc	29/84	23/73 pc
Lima	28/82	19/66 pc	27/80	21/70 pc
Mexico City	22/71	8/46 pc	23/73	8/46 pc
Rio de Janeiro	26/79	19/66 pc	26/79	19/66 pc
Santiago	23/73	9/48 pc	21/70	6/43 pc

Oceania

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Auckland	21/70	16/61 pc	21/70	15/59 r
Sydney	23/73	16/61 s	22/71	16/61 pc

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THE AMERICAS

As Deputy Director Urged, a New Generation Is Promoted at CIA

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — At the Central Intelligence Agency, George Tenet, the deputy director, has frequently spoken about the need to recruit or promote a new generation of young officers who are focused on such modern problems as terrorism, narcotics, arms proliferation and spying on such radical nations as Iran, Iraq and North Korea.

On Wednesday, at age 44, the former congressional staff aide and White House intelligence adviser found himself nominated by President Bill Clinton for the spy agency's top job in part because his strenuous efforts to pursue this post-Cold War agenda have garnered respect inside CIA headquarters and admiration outside it.

Mr. Tenet is an unconventional choice as director. He is not a career employee of the CIA and is not a prominent businessman, lawyer, military professional or well-known expert on national security affairs, as were such predecessors as Allen Dulles, Richard Helms, William Colby, George Bush, Stansfield Turner, William Webster and Robert Gates. Only James Schlesinger was younger when he became director.

The nomination culminates a swift rise through the ranks of Washington staff jobs, beginning as an energy association employee and a legislative assistant to the late Senator John Heinz, Republican of Pennsylvania, and progressing to staff director of the Senate intelligence committee and then senior intelligence adviser on the National Security Council staff.

It is also a long way from the New York borough of Queens, where he grew up as the son of a Greek immigrant who owned a diner.

After a bruising fight with Senate Republicans over the failed nomination of Anthony Lake, Mr. Tenet's support from key lawmakers in both parties was probably the decisive factor in Mr. Clinton's choice.

The Senate intelligence committee chairman, Richard Shelby, Republican of Alabama, said Wednesday that Mr. Tenet was "a man of integrity and professionalism," and the deputy chairman, Bob Kerrey, Democrat of Nebraska, said he had the "highest confidence" in Mr. Tenet's ability to lead the CIA.

A former staff director of the Senate committee, Mr. Tenet pledged when he became deputy director of the CIA two years ago to work at improving the agency's relations with Congress. They had become badly frayed during the tenure of Mr. Clinton's first director, James Woolsey.

By all accounts, Mr. Tenet and his former boss at the CIA, John Deutch, shared considerably more information with Congress about the agency's failures as well as its achievements.

At his confirmation hearing in June 1995, Mr. Tenet also cited four other personal priorities for his tenure at the agency: providing "actionable" intelligence that cannot be obtained elsewhere; carrying out the "re-engineering" of the intelligence community, revitalizing its troubled Directorate of Operations, or clandestine service, and upgrading its counterintelligence capabilities.

As deputy director for 18 months and acting director since December, Mr. Tenet has already traveled to many of the CIA's stations overseas. He has discussed intelligence matters with visiting heads of state and met in Gaza with Yasser Arafat to discuss suicide bombings of Israelis.

A senior administration official who has worked closely with Mr. Tenet said he is known to many CIA officers as a manager who "will drop in anywhere on anybody, outside the chain of command, to check on them, a real hands-on kind of person."

A colleague said that "he's regarded as a real person" who, dressed in sweat pants and wearing head phones, jogs every morning around the CIA grounds before picking up breakfast in the cafeteria.

Mr. Tenet's trademark is an unlit cigar, which he often clenches in his teeth.

He does not smoke it because of a heart problem he experienced while working as the special assistant to the president for national security affairs from 1993 to 1995.

In that job he wrote four major presidential directives that set new intelligence priorities, revised the government's declassification policies, established a policy on the sharing of information collected by satellites and revamped the government's counterintelligence efforts.

According to colleagues, Mr. Tenet shares many of Mr. Deutch's interests and personal qualities, including a voluble temperament, an animated style of speaking and an extraordinary ability to focus intently on the subject at hand. As Mr. Deutch said Wednesday, "It is fortunate that we were not often emotional at the same time on the same subject, because it would have changed North American weather patterns."

Mr. Deutch predicted that Mr. Tenet "will go down as one of the really great directors." He described his former deputy as a man with "warm good humor" who had "been the single most important guiding light for the Directorate of Operations" in the last two years and had emphasized "high standards of tradecraft."

He also recounted an incident in which Mr. Tenet approached him quietly in his office during a meeting with some foreign dignitaries and asked if the guests could be ushered out so he could pass along an important secret message. The message, Mr. Tenet said once the room was cleared, was that Mr. Deutch had forgotten to raise the fly on his trousers. "It was at that moment that I knew I had a uniquely loyal deputy," Mr. Deutch said.

While Mr. Deutch chose on several occasions to criticize the performance of CIA officers — in effect flogging them publicly to mend their ways — Mr. Tenet's style has been to level his criticism in private and make only supportive remarks in public.

At the White House, Mr. Tenet was a principal author of PDD-35, a classified presidential directive that set out new priorities for the intelligence community, including providing support to military operations, stopping terrorism, narcotics and organized crime and penetrating radical countries.

"He wrote the intelligence priorities and then went to the agency to see that they were implemented," a White House official said.

Did a CIA Officer Help Democratic Party Donor?

Report Permitted White House Invitations

By Sharon LaFraniere and Brian Duffy
Washington Post Service

WASHINGTON — The Central Intelligence Agency is investigating whether an officer in the agency's elite clandestine service arranged for a favorable intelligence report on a major Democratic Party donor to be sent to the White House so that the man could attend events with President Bill Clinton, government officials said.

The officials said the CIA's inspector-general was examining whether the now-retired officer, William Lofgren, was part of the Democratic National Committee's effort to gain White House invitations for Roger Tamraz, a wealthy Lebanese-American businessman with long-established ties to the U.S. intelligence agency.

Mr. Lofgren, then head of a CIA division that dealt with Russia and the other republics of the former Soviet Union, is listed as the person who generated a December 1995 intelligence report about Mr. Tamraz that was sent to a National Security Council staff member, officials of Mr. Clinton's administration said Wednesday. At the time, the committee wanted to invite Mr. Tamraz to a White House event, but the security council staffer, Sheila Heslin, wanted to limit his access.

Mr. Lofgren is just one focus of the CIA's inquiry into whether anyone at the agency tried to help Mr. Tamraz at the behest of the Democratic committee. Investigators also want to know how another CIA officer handled two phone calls from a Democratic official about Mr. Tamraz. CIA officials have said it would be highly improper if the committee had been able to prevail upon the agency to do any kind of favor for a donor.

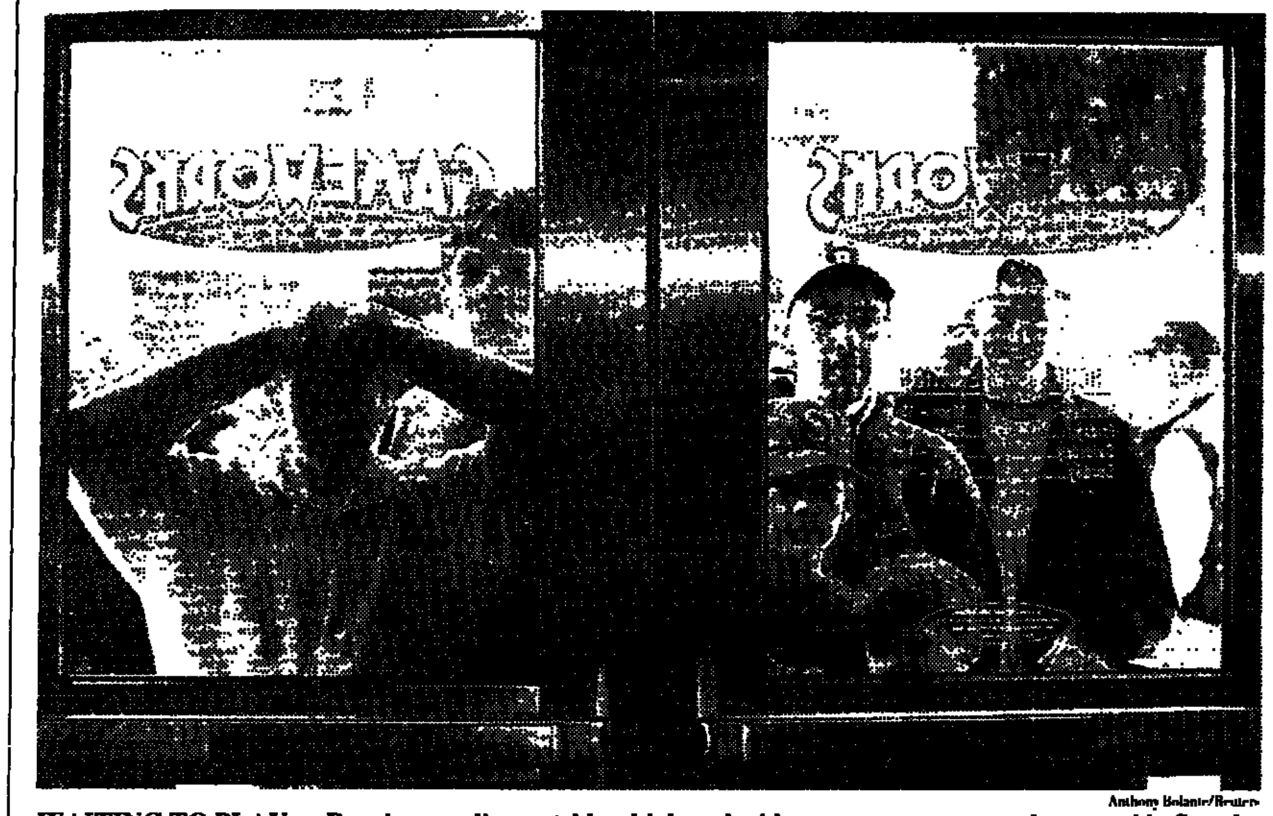
Mr. Lofgren is now a consultant in Virginia and has done some work for Mr. Tamraz. His wife said he was out of the country and could not be reached for comment. Mr. Tamraz said he knew of no efforts to enlist the CIA to help him get into the White House. "Nobody told me," he said.

Intelligence officials emphasized that the inquiry begun by the CIA inspector-general, Frederick Hitz, was only a week old and still broadly focused. In interviews, individuals involved have offered contradictory accounts.

Ms. Heslin of the National Security Council has said that Donald Fowler, who was then chairman of the Democratic National Committee, called her in late 1995 to urge her to withdraw her objections to granting White House access to Mr. Tamraz. Ms. Heslin wanted to head off any meetings that would allow Mr. Tamraz to push his proposal for a Caspian Sea pipeline because she thought the proposal did not fit with U.S. policy and she feared Mr. Tamraz was misrepresenting the degree of official support he had, administration officials said.

Ms. Heslin said Mr. Fowler told her the CIA would send her a paper showing how Mr. Tamraz had helped the United States in the past. Mr. Fowler has said he does not remember saying anything to Ms. Heslin about a CIA document.

In December 1995, Ms. Heslin received a CIA report on Mr. Tamraz, generated by Mr. Lofgren, according to sources.



Anthony Bolante/Reuters

WAITING TO PLAY — People crowding outside a high-tech video game center recently opened in Seattle.

Away From Politics

• **A German artist,** Jorg Peter Schmitz, was acquitted in Denver of homicide in the hit-and-run death of a newspaper columnist. *(AP)*

• **Newborns whose mothers smoke** during pregnancy have the same nicotine level as adult smokers and spend their first days of life going through withdrawal, said a study presented in Anaheim, California. *(AP)*

• **A group of survivors** of the Oklahoma City bombing in April 1995 and relatives of some victims plans to sue the federal government over whether authorities could have prevented the attack. *(NYT)*

• **The New York City Board of Education** has voted to expel from the school system any student 17 or older who brings a gun to school or attacks someone with a weapon. *(NYT)*

• **The Presbyterian Church** has voted to require that all unmarried ministers, deacons and elders be sexually celibate. *(WP)*

POLITICAL NOTES

White House Visits Get New Attention

WASHINGTON — In late June of 1994, James Riady saw President Bill Clinton and some of his aides in five days of White House visits. Early the next week, one of the Indonesian businessman's Hong Kong companies paid about $100,000 to Webster Hubbell, the president's friend, then facing a rapidly unfolding criminal investigation, according to people in the United States and abroad familiar with the arrangement.

The payment, from one of a number of Clinton friends who hired Mr. Hubbell when he ran into his legal troubles and resigned from the Justice Department, was made soon after he had begun withholding important personal financial documents from Whitewater investigators, people familiar with the 1994 inquiry say.

By then, these people say, the investigators had largely built the criminal case against him, for defrauding his former law partners and clients, for which he served a jail sentence.

Mr. Riady's White House visits have been known for some time, and it was recently disclosed that he paid Mr. Hubbell about $100,000 through the Hong Kong company in 1994 for services that the two men have declined to describe. But it has not been previously known how closely that followed Mr. Riady's visits.

Current and former aides say that Mr. Riady's relationship with Mr. Clinton became a source of quiet concern to presidential advisers and that they went to great lengths to keep it out of public view.

The timing of the meetings produces a chain of events that has attracted the attention of congressional investigators and the Whitewater counsel, now focusing on whether Mr. Clinton or other officials played a role in lining up financial aid for Mr. Hubbell. *(NYT)*

Republicans Adopt New Overtime View

WASHINGTON — In a political statement about its concern for working women and its antagonism toward organized labor, the Republican-controlled House of Representatives has voted to allow employers to offer workers compensatory time as a substitute for overtime pay.

The bill, which Republicans said would allow workers to choose time off instead of money, passed by 222 to 210 on Wednesday, with 209 Republicans and 13 Democrats in favor. Newt Gingrich, the House speaker, who rarely votes, joined the majority.

President Bill Clinton said he would veto the bill, but Democrats in the Senate may prevent the measure from coming to a vote. So the activity Wednesday was largely an exercise in political symbols.

Republicans, especially women, contended that the measure was "pro-family." But Democrats said that bosses would coerce workers into choosing time off, hurting those who depend on overtime. *(NYT)*

Budget Balancing

WASHINGTON — President Clinton emerged from a meeting with congressional budget leaders expressing optimism that he and Republicans would reach a balanced budget agreement by the end of the year, and pledged it would be his "first order of business" when he returned from Helsinki.

Republican budget leaders were considerably less buoyant. "We made sure that the president thoroughly understood the big differences that we have," said the Senate Budget Committee chairman, Pete Domenici of New Mexico. "And the lead one is that the president's budget does not save enough in the entitlement programs." *(WP)*

Quote/Unquote

Patrick Leahy of Vermont, the Senate Judiciary Committee's senior Democrat, after the Senate broke the logjam on judicial nominees with approval of Merrick Garland, the Justice Department's point man on the Oklahoma City bombing and Unabomber cases, to a seat on the Court of Appeals for the District of Columbia Circuit: "He was nominated in 1995, got through the committee unanimously by Republicans and Democrats in 1995, and now, just before our second vacation of the year in 1997, I'm glad, whenever it is, to get him through." *(AP)*

U.S. Upbraids Mexico Over New Incident In Drug War

By Sam Dillon and Craig Pye
New York Times Service

WASHINGTON — The United States has sharply criticized Mexico for failing to seize more than $160 million that U.S. officials say they believe was deposited in Mexican banks by a drug trafficking suspect.

In a statement this week, the Treasury Department said it was registering its "strong protest" over Mexico's handling of the case. But Mexican officials said Wednesday that the U.S. statement was based on a misunderstanding of how much money the suspect had in his accounts.

U.S. officials said James Johnson, an assistant Treasury secretary, telephoned one of his Mexican counterparts, Ismael Gomez Gordillo, on March 11 to complain vigorously about lapses in seizing the money. Senior Mexican officials denied receiving any such protest.

The incident, the latest in a series of disputes between the United States and Mexico over drug issues, illustrates the mounting difficulties that the governments face in conducting joint law enforcement operations.

U.S. officials say they provided the Mexicans with the initial information about the suspect's holdings in banks in the Mexican state of Sonora, which borders Arizona. The officials say their Mexican counterparts later told them that nearly $184 million had been confiscated.

But on Wednesday in Mexico City, officials had a different version of events. They said that $184 million was the amount of money that moved through the accounts during three years, and that there was only $16 million left when they moved to seize the money in January.

Relations between the United States and Mexico have been in turmoil since February, when the Mexican authorities announced the arrest of the general who headed the country's anti-drug program. Soon afterward, President Bill Clinton certified that Mexico was "fully cooperating" in the war against drugs.

The incident seems certain to stir new questions about the candor with which the United States is discussing the course of the drug war in Mexico. Clinton administration officials made no immediate statement about what they now say was the bungled attempt to seize $184 million and did not publicly discuss the issue until the middle of this month.

■ U.S. Senate Seeking a Review

The U.S. Senate on Thursday blocked efforts to decertify Mexico as an ally in U.S. anti-drug efforts, taking up instead a watered-down resolution that calls for a five-month review of the country's progress in combating drug trafficking, The Associated Press reported. The decision precluded any move to overturn Mr. Clinton's action certifying Mexico before a March 30 deadline.

Senators Grouse on Greasing Politics

By Francis X. Clines
New York Times Service

WASHINGTON — After 38 years in the Senate, Robert Byrd tried to make the political handwriting on the wall irreducible, suddenly bellowing out the word "Money!" in the near empty debating chamber.

"It is money!" shouted Mr. Byrd, Democrat of West Virginia, making his contribution to a surging investment of oratory by U.S. lawmakers in the issue of scandalous campaign financing. "Money! Money! Not ideas, not principles, but money that reigns supreme in American politics!"

Whether that issue has become volatile enough to catch the voters' interest is a question members of Congress will pursue firsthand next week when the Senate and House begin a two-week recess. They will take stock in a legislative year notable thus far for the acrimonious allegations of big-money campaign corruption around President Bill Clinton and other winners in the electoral process.

In a week of oratory, a theme that stood out among some of the professionals was their own loathing of the daily burden of fund-raising. In various debating moments, legislators complained of slinking off and "dialing for dollars" in their separate, antiseptic fund-raising cells.

"Let me tell you about the California race," said Senator Barbara Boxer, a Democrat who described the need to raise $10,000 a day, 365 days a year, every year, in order to be financed for re-election.

"I resent it," she said wearily, as colleagues rose to decry their own "megadollar derbies" and the treadmill aerobics of staying in political trim — the endless need to "get on TV to raise money to get on TV to raise money to get on TV."

Mr. Byrd described the ignominy of "running around the country with a tin cup in one's hand raising money for a little, measly $134,000-a-year job."

He captured the sort of visceral emotion associated with self-survival that was in the air as the issue began taking hold with the politicians, if not yet the constituents.

The Senate Democratic leader, Tom Daschle of South Dakota, approached Swiftian parody when he responded to opponents' observations that an untroubled nation spends far more, $2.7 billion annually, on dog and cat food than it does on political campaigns.

A second theme amid the oratory was a fear that the public will come to generalize cynically about all politicians on the basis of the headlined tales of Mr. Clinton and a few Congressional politicians the Democrats are counterattacking.

"We do not all do it," said Trent Lott, the Senate Republican majority leader, as he argued for a nonbinding resolution for an independent counsel to look solely into the Clinton re-election campaign's manifold fund-raising innovations.

In their complaints that this was a partisan resolution sparing the Republican Congress from inquiry, Democrats said that the "meanness" in the Capitol air had reached the point where even surface bipartisanship had been shredded.

Once, there was a two-party tradition to "never attack the president of the United States as he goes off to negotiate at a summit," Senator Patrick Leahy, Democrat of Vermont, said as Mr. Clinton prepared to meet President Boris Yeltsin of Russia.

But tradition was no match for the growing heat of the fund-raising issue. Senator Daniel Coats of Indiana spoke for a number of fellow Republicans in arguing that the campaign overhaul issue was secondary to continued disclosures of "an administration obsessed with re-election, indifferent to ethical rules and organized to skirt the law."

As the oratory mounted and the lawmakers prepared to search out its effects back home, Mr. Byrd offered what seemed impossibly saintly advice to his peers, "Avoid the allure of piling on for political advantage."

AMERICAN TOPICS

Breathing New Life Into Funeral Industry

Funeral homes long had a near-monopoly on coffin sales in America; their prices tend to be high, and the atmosphere, well, rather funereal. But retail sales of caskets, from brightly lit new showrooms, are exuding signs of life. Casket Royale, a coffin maker in Hampton Falls, New Hampshire, last year operated retail outlets in eight states and had $2.1 million in sales; it projects $10 million in sales this year.

New showrooms, like one on Main Street in Framingham, Massachusetts, are opening all the time. In Framingham, Joe Walker, 71, the thin, bearded sales director, promises customers no-pressure shopping and savings of as much as 50 percent on most models.

Coffins are sold for as little as $520, a bargain considering that the average paid by Americans last year, most often to funeral homes, was about four times that.

Short Takes

Two Philadelphia architects have won a competition to design an Indian memorial at the Little Bighorn battlefield in Montana, where 100 Indians and General George Custer's entire 7th Cavalry died in 1876. The memorial designed by John Collins and his wife, Alison Towers, is an open, round stone-and-earth mound with a ceremonial space in the center, The Denver Post reports. It is cut in four places for entry, to allow visitors to view three Indians galloping on horseback across the plains and to catch a glimpse, through a small weeping wound, of the existing monument to Custer and his famous Last Stand. The narrow window is designed to allow the spirits of the dead, Indian and cavalry, to meet.

Forget "Animal House" — welcome to the new, dry fraternity. College fraternities have long had a reputation for being scenes of heavy partying; but a new awareness of the dangers of drink has prompted two national fraternities to ban alcohol, despite the complaints of some members that they are becoming victims of political correctness. Phi Delta Theta, with 180 chapters nationwide, and Sigma Nu, with 210 chapters, plan to ban booze by 2000. "Many of the poor decisions students make on campuses today are the result of using alcohol," said Jonathan Brant, executive vice president of the National Interfraternity Conference. He expects other fraternities to join the ban.

International Herald Tribune

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A New, Angry Generation of Maori Agitates for Justice in New Zealand

By Clyde H. Farnsworth
New York Times Service

AUCKLAND, New Zealand — Solid as an anvil in a well-worn buff jacket, granite-eyed behind bristles of beard, Mike Smith is one of the urban Maori called *nga tamatoa*, or "young warriors."

A high-school dropout, he is at home in the city's jails, quotes Noam Chomsky and the American Indian advocate Russell Means. He rails against privatization and economic cutbacks, and for 16 years has been at the sharp edge of the movement to redress the wrongs of the British colonizers of New Zealand.

Although the government is now trying to address claims by the Maori, who were cast into second-class status after their lands were confiscated in the last century, he warns that too little is coming too late.

Asserting that "younger people really feel betrayed," he said: "The mood is no longer to tug at the forelock and say, 'I'll be a good nigger, master,' which was very much the attitude of our parents and grandparents. They had the boot physically on their necks. It's now ratcheting up. Expect more and more acts of destruction."

Not all Maori share the radicalism of Mr. Smith, who last tangled with the authorities 17 months ago when he hacked at a symbolic ponderosa pine planted by white colonizers in a place known as One Tree Hill and was jailed overnight.

The sledgehammer attack that badly damaged the America's Cup last week, carried out by a Maori protester whose name has not been disclosed, horrified not only the yachting world but also many other Maori, some of whom apologized to an American visitor.

"Smashing things is not the answer," said Keri Neilson, a teacher and member of the Nga Puhi tribe north of here. "We need more educated Maori people and a wide range of jobs."

"I don't know whether we're ever going to find an equitable balance with the Pakeha," she said, using the native term for whites.

Tuariki John Delamere, one of 15 Maori in the 120-seat Parliament in Wellington and one of three Maori ministers in the government, said: "All the educational attainment in the world will not change the fact that when a Maori attends a job interview, as things now stand, he or she will most likely be judged by a person from the majority culture who will see them first as a Maori — with all the negative connotations that may include."

Archeological remains suggest that Maori ancestors emigrated here by canoe from Eastern Polynesia more than 1,000 years ago. Today the Maori represent 15 percent of the 3.5 million New Zealanders.

Until the first quarter of this century they lived almost exclusively in rural areas. Four out of five Maori today are in the bigger cities and towns.

Poverty, worsened by severe cutbacks in government services after years of fiscal retrenchment, has generated what scholars here call a rootless and alienated Maori underclass subject to unemployment at rates above 50 percent in some urban pockets and high consumption of alcohol and drugs.

But with so much intermarriage between the Maori and whites, few here fear racial clashes. "I don't know a single Maori who doesn't have Pakeha cousins," Mr. Delamere said.

While denouncing acts of violence, even the more conservative and better-off Maori share with the radicals a deep sense of grievance over what the New Zealand government has finally recognized are a series of broken promises by whites.

Ranginui Walker is the head of the Maori Studies Department at Auckland University and the author of books including "Years of Anger" and "Struggle Without End." A member of the Whakatohea tribe, he sees the history of the last 150 years "in an extremely personal way."

"Our tribe had all its land confiscated in 1864-65, 35,000 acres of prime farming land, and our people were pushed up into a reservation, up against the hills.

"So that's got to be a pretty definitive experience when you're living in poverty, no employment, and when you go into town you see white people, descendants of military settlers, control all the businesses and you see a beautiful golf course and you know that is confiscated land, and so the insult is there for your whole lifetime."

Mr. Walker succeeded academically, became upwardly mobile, then jumped into the cauldron of cultural politics and was considered extremist back in the 1970s as he railed "openly and vehemently," as he put it, "against monocultural Pakeha dominance and Maori subjection."

He calls the chopping down of trees, earlier defacement of British statues and now the battering of the America's Cup "quixotic acts" of a new generation of radicals, expressing "anger and frustration that has to be taken into account — rather than eliciting a knee-jerk reaction to them."

While the Maori always insisted that the government had in effect stolen their land, the government's acknowledgment of responsibility has come about in recent years after a series of protests and court rulings. Negotiations have been under way since 1991 over specific claims.

The story of Maori disaffection goes back to a charter signed in 1840 by representatives of the British Crown and 500 Maori chiefs, the so-called Treaty of Waitangi. It guaranteed that the Maori would retain their lands and other material and cultural treasures and enjoy equal rights of citizenship.

"A big rip-off occurred," Justice Minister Douglas Graham conceded in an interview. Mr. Graham, who is also minister for Treaty of Waitangi negotiations, forecast that at least the major Maori claims would be settled by 2000. More than 400 claims have come from 37 tribes and hundreds of subtribes and even individual families. Not everyone wants money. Some families simply want burial grounds protected.

Mr. Graham said, "We are committed to working with the Maori to achieve their full and active participation in New Zealand society."

Looters Join Papua New Guinea Unrest

Reuters

PORT MORESBY, Papua New Guinea — This South Pacific nation was thrown into turmoil Thursday as protesters and soldiers demanded the reinstatement of an army commander and criminal gangs took advantage of a social, political and military crisis.

The police fired tear gas at looters around the city, and shots were heard throughout the day near an army barracks where thousands of people gathered to protest against Prime Minister Julius Chan.

The unrest initially appeared to be more criminal than political, as looters roamed the run-down city of about 150,000 people. Schools, banks and many businesses were closed, and the police blocked off major roads.

While the police struggled to control rioters, the army remained inside its barracks, awaiting the government's response to its demand that its commander be reinstated.

A confrontation between policemen and troops was narrowly avoided after running battles between police and protesters spilled into the sprawling Murray barracks.

The crisis began Monday when Brigadier General Jerry Singirok demanded that Mr. Chan resign and that an inquiry be held into the hiring of foreign mercenaries to end the Bougainville island conflict, where rebels have battled the government since 1988. Mr. Chan promptly dismissed his army commander.

In an attempt to ease the civil unrest, Mr. Chan said Thursday, an inquiry will be held into the mercenary contract with the British-based military consultants Sandline International. He said the $28 million contract had been suspended pending the outcome of the inquiry.

While the army has been the focus for protests against Mr. Chan, the police force is believed to be backing the government. Any confrontation between the forces, traditional rivals, could have unpredictable consequences for democracy in Papua New Guinea.

Army officers gave a Defense Ministry official a petition demanding General Singirok be reinstated. But as a deadline set by the petition passed, General Singirok called for a political solution, saying he would accept his dismissal as long as it was legal and constitutional.

BRIEFLY

China to Repatriate Taiwan Hijacker

BEIJING — In a significant concession, China gave in Thursday to Taiwan's demands to repatriate a man suspected of having forced a Taiwanese airliner to the mainland this month but called on Taiwan to send back 16 Chinese hijackers in return.

"Liu Shan-chung will be repatriated to Taiwan after necessary investigations are made," the Xinhua press agency said, quoting the semiofficial Association for Relations Across the Taiwan Straits.

It did not give a date for the repatriation of Mr. Liu, who is suspected of having hijacked a domestic Taiwanese airliner on March 10 and forcing it to China's southeastern city of Xiamen.

Beijing previously had balked at sending Mr. Liu back, saying that Taiwan has not returned several Chinese involved in hijackings to Taiwan in the early 1990s. *(Reuters, AP)*

Kemal Jufri/Agence France-Presse

TIMOR ENVOY — Jamsheed Marker, the UN envoy for Indonesian-annexed East Timor, arriving Thursday in Jakarta.

Afghan Blast Kills 30

JALALABAD, Afghanistan — About 200 metric tons of explosives may have been detonated in the accidental blast at an ammunition dump in the eastern city of Jalalabad, in which at least 30 people died, UN sources said Thursday.

The explosion flattened the Islamic Taleban militia's security department headquarters. Residents said the toll could be more than 100, including the police chief, Mullah Abdul Ahad.

The UN Office for the Coordination of Humanitarian Assistance to Afghanistan quoted an assessment team report as putting the casualties at 30 dead and 191 injured, 80 of them seriously. *(Reuters)*

India Relaxes Curbs

NEW DELHI — India announced an easing of restrictions Thursday on travel by Pakistanis in what Foreign Minister Inder Kumar Gujral called a "major new unilateral step" ahead of talks next week between the neighbors.

"The measures that I announce today are designed to add to the goodwill between the peoples of the two countries," Mr. Gujral said in Parliament.

"They are an emblem of our earnest desire to establish and maintain relations of friendship and cooperation with our neighbor Pakistan," he said. *(Reuters)*

VOICES From Asia

Lee Teng-hui, president of Taiwan, on a coming visit to his country by the Dalai Lama: "The Chinese Communists have repeatedly used the Dalai Lama's visit to attack us. We should not be afraid of the Chinese Communists' intimidation." *(Reuters)*

Cyanide Spill in China Puts Macau on Alert

Compiled by Our Staff From Dispatches

HONG KONG — Macau banned people from bringing food in from China on Thursday, and Hong Kong undertook checks after a cyanide spillage in a river in southern China caused alarm around the Pearl River delta.

But Macau's neighboring Chinese city, Zhuhai, where a truck carrying 200 drums of cyanide plunged into a tributary of the Pearl River on Tuesday night, resumed drawing water from the river, Hong Kong government radio said. All but one of the drums was recovered.

Macau customs authorities said residents of the Portugese-administered territory would not be allowed to bring in vegetables from China for private consumption. Previously, Macau residents had been allowed to bring in small amounts of undeclared vegetables from Zhuhai, where food is much cheaper. Many Macau residents go there almost daily to buy provisions.

Authorities in Macau also destroyed large quantities of vegetables from China.

A Macau customs spokesman said commercial imports would not be affected but would be inspected.

In Hong Kong, a Health Department spokeswoman said that as a precaution, samples of produce from the mainland, especially vegetables and seafood, would be checked. She said the risk was slight, as most of the produce coming from China was from the other side of the delta. Both Hong Kong and Macau, with their small land areas relative to their populations, rely on imported food, mostly from China.

A spokesman for Water Supply Co. in Macau said technicians so far had found no changes in the condition of the Guijiang River, which drains into the Pearl River delta and the South China Sea between Macau and Hong Kong. The river supplies drinking water for Zhuhai and Macau. Macau's water supply is sufficient for about a month and a half, the semiofficial Hong Kong China News Agency said.

Authorities in southern China issued warnings Wednesday of cyanide poisoning in waters there but said Thursday they had resumed drawing water from the river. A Chinese official said the river water was found to contain only a small amount of the poison, well within established safety limits.

The chemical was intended for use in electroplating. *(Reuters, AP)*

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TODAY'S
REAL ESTATE MARKETPLACE
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GO: 0,5324 FOD*: 0,3476

ALLEMAGNE (zone I) DM/l - TVA 15%
ZONE I - G :
GO: 1,06
ZONE II - I :
GO: 1,03 SCSP: 1,39
ZONE III - F :
GO: 1,03 SCSP: 1,37
ZONE IV - F :
SCSP: 1,37
ZONE IV - G :
GO: 1,04 FOD: 0,61

BELGIQUE en FB/l - TVA 21%
GO: 22,07 FOD: 10,48
SC97: 33,39 SCSP: 31,49

HOLLANDE (zone2) NLG/l - TVA 17,5%
GO: 1,248 FOD: 0,790
SC97: 1,855 SCSP: 1,796

LUXEMBOURG en LUF/l - TVA 15%
GO: 19,30

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ACROSS

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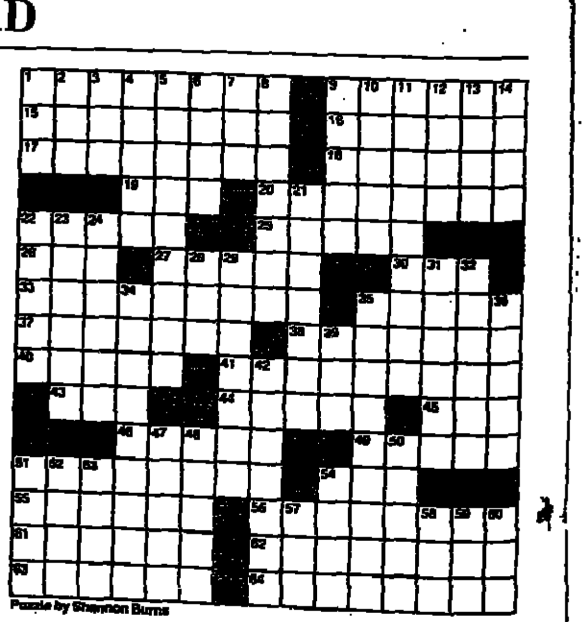

Puzzle by Shannon Burns

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Solution to Puzzle of March 20

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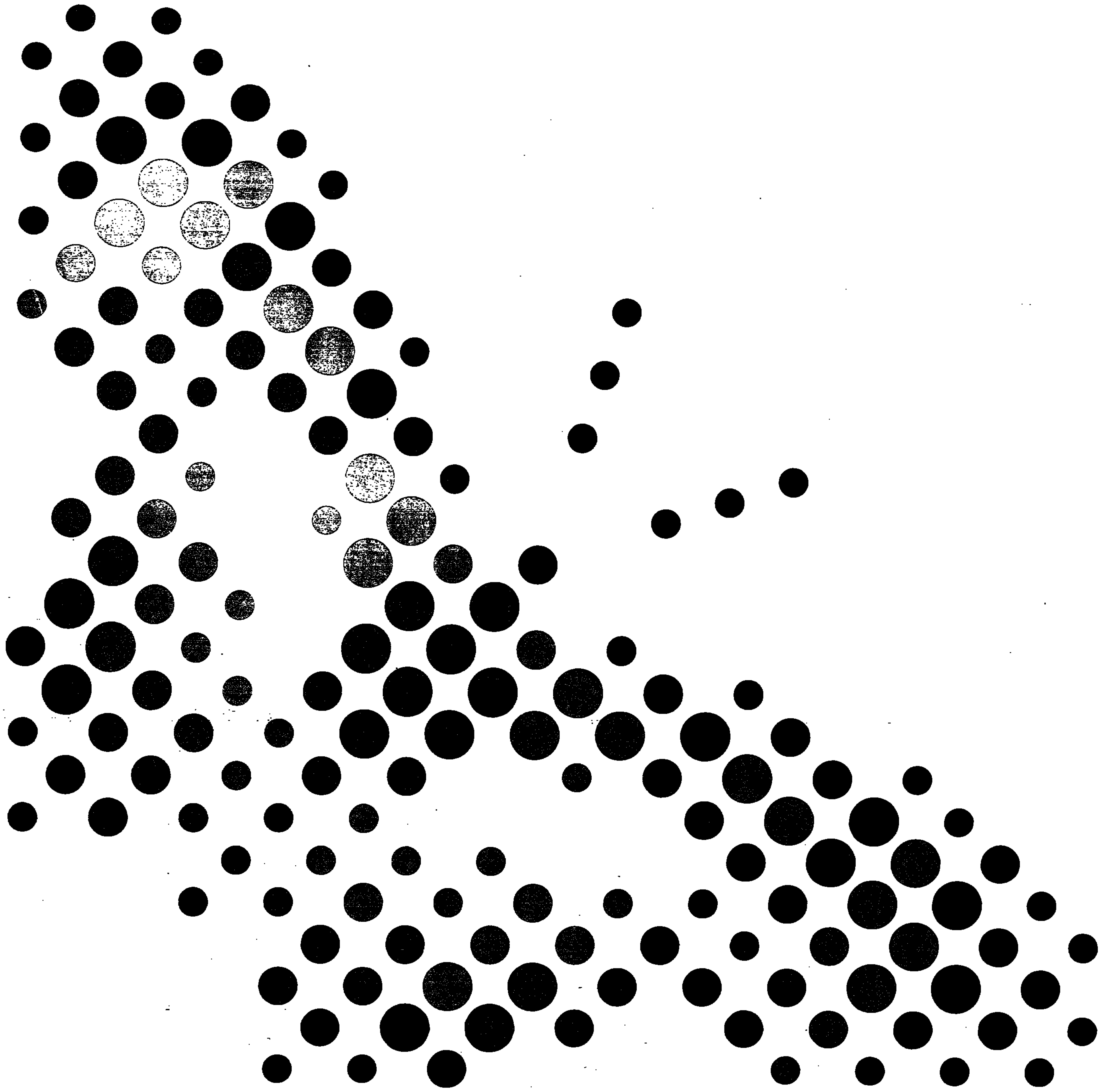

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Parliamentary Inquiry On Wrongdoing Put Off, Causing Furor in U.K.

Reuters

LONDON — A report by a British parliamentary oversight committee issued Thursday cleared 15 members of Parliament of wrongdoing but left serious questions about 10 Conservative legislators.

The decision to defer a verdict on allegations of "sleaze" against the 10 governing party members provoked a furious dispute between the government and the opposition Labour Party.

Parliament's commissioner for standards, Sir Gordon Downey, conducted the inquiry into allegations that some of the lawmakers had taken payments in return for raising issues in Parliament and that others had failed to declare links with lobbyists or businesses.

The Labour leader, Tony Blair, said there was no reason why the House of Commons Standards and Privileges Committee could not issue the rest of its findings before general elections on May 1. Labour is heavily favored to win the elections. Paddy Ashdown, the leader of Liberal Democratic Party, also accused the government of a cover-up.

"The Conservatives have ended Parliament as they started it — breaking their promises, trying to con people and mired in sleaze," he asserted.

But senior Conservatives charged that Labour, which is 25 points ahead in the polls, was resorting to smear tactics to distract attention from statistics showing the British economy was booming.

Deputy Prime Minister Michael Heseltine that a "scare" over the report had been created by Labour "when they suddenly saw the best economic news, in terms of the dramatic fall in unemployment, and they decided they had to have some story to take it off the headlines."

The 15 lawmakers who were cleared included the Liberal Democrat deputy leader, Alan Beith; the parliamentary chairman of the Labour Party, Doug Hoyle; Defense Secretary Michael Portillo; a former secretary of state for national heritage, David Mellor, and Labour's health spokesman, Chris Smith.

Sir Gordon said that the case of those 15 was straightforward: They had not broken any of the rules on declaring their income from outside Parliament.

But the report said the investigation into allegations that lawmakers had been paid by Mohamed al Fayed, the owner of the Harrods department store, to ask questions in Parliament on his behalf would not be finished until next week.

Prime Minister John Major announced this week that Parliament would stop sitting on Friday, which would make the election campaign the longest in 80 years.

The closure of Parliament will leave the findings on the allegations against the 10 members of Parliament to be reported after the elections.

The most prominent among the 10 members are Former Corporate Affairs Minister Neil Hamilton and Tim Smith, a former junior minister for Northern Ireland.

Mr. Smith resigned in October 1994 after acknowledging that he had failed to declare cash payments from Mr. Fayed.

Mr. Hamilton, who will run for reelection on May 1, has consistently proclaimed his innocence. On Thursday, he repeated a call for Mr. Downey's report to be published before the elections.

"I want to dispel this black cloud hanging over me," he told BBC radio.

But the final report can only be issued now if Mr. Major has a change of heart about the closure of Parliament.

Mr. Heseltine said Thursday that the prime minister had not realized his decision to close Parliament would affect the timing of the report.

Desmond Boylan/Reuters

A rebel gunman telling reporters to stay away from a meeting of his leaders in the town of Gjirokaster in southern Albania on Thursday.

Italy Won't Intervene With Troops in Albania

Compiled by Our Staff From Dispatches

ROME — Italy has no plans to intervene militarily in Albania, but it will patrol coastal waters to try to stem the exodus of refugees toward Italian shores, the defense minister said Thursday.

"Nothing's on the horizon today, now, for an Italian intervention, let alone a unilateral Italian one," the minister, Beniamino Andreatta, said after meeting here with the Albanian foreign minister, Arian Starova.

The Italian press has been awash with reports that Italy was about to undertake a military operation to secure landing sites for emergency deliveries of food and medicine for Albanians hurt by the anarchy in their homeland.

Mr. Andreatta said an accord had been worked out with the government in Tirana, the capital of Albania, to let the Italian Navy patrol Albanian territorial waters to monitor the coasts.

About 11,000 Albanians have already crossed the Adriatic Sea in crowded boats.

In Tirana, the first plane to leave the capital's airport since it was closed by the unrest a week ago took off for Sofia on Thursday.

An Albanian Airlines plane carrying 30 passengers of various nationalities took off only hours after the authorities declared that the airport had been secured by special forces, that all key staff were in place and that it was open for business.

A manager of the airline said it planned to resume scheduled flights to Rome and Bologna on Friday and to Istanbul on Saturday. But Western air carriers have said they will not start flying until Sunday at least.

The airport is Albania's main gateway to the outside world, and the staging point for any flow of the humanitarian aid that its government and European observers say it will require soon to cope with food and other shortages.

The reopening of the airport was a further indication that the capital was returning to normal after days of near-anarchy last week, set off by the looting of weapons from army depots.

But unrest was reported in other parts of the country, mainly in the south, which is mostly under the control of rebels demanding the resignation of President Sali Berisha.

In the town of Korce, 180 kilometers (110 miles) southeast of Tirana, residents reached by telephone said that gunmen had looted all the town's shops and that shooting was continuing.

Rebel leaders in the south were still awaiting a visit by Prime Minister Bashkim Fino, head of an all-party government called to restore order and organize elections by June. *(AP, Reuters)*

BRIEFLY

Polish Leader Assails Union

WARSAW — Poland's prime minister, Wlodzimierz Cimoszewicz, accused the Solidarity trade union of trying to lead the country into anarchy Thursday as about 1,000 demonstrators threw firebombs, paint and rocks at the headquarters of the main party in his leftist coalition.

Several windows were shattered as riot police blocked entry to the building and used a bullhorn to plead for calm.

It was the eighth day of increasingly violent protests organized by Solidarity against the closure of the Gdansk shipyard where the union and political movement was born.

Mr. Cimoszewicz told Parliament on Thursday that he had a plan to save 2,000 of the 3,600 remaining jobs at the bankrupt shipyard by passing on work from another shipyard, at Szczecin. But he said the work would not start until next year. *(AP)*

2 Years Sought for Neo-Nazis

MARSEILLE — A French prosecutor in the trial of four neo-Nazis accused of desecrating a Jewish cemetery in southern France urged a court Thursday to pass the maximum sentence on the two alleged ringleaders.

The prosecutor, Fabienne Roze, urged the court to sentence Olivier Fimbry, 31, a noncommissioned army officer, and Patrick Laonegro, 28, described as the ideologist of the group, to two years in jail for instigating the May 1990 attack on the centuries-old cemetery in the town of Carpentras.

The desecration, in which the recently buried body of Felix Germon was dug up and 34 graves were wrecked, caused revulsion throughout France and the world.

It prompted hundreds of thousands of people to march in a protest led by the nation's president, the late Francois Mitterrand.

The prosecution sought an 18-month jail term for Yannick Garnier, 27, whose confession last July led to the arrests of his suspected accomplices, and for Bertrand Nouveau, 28. *(Reuters)*

Bavarians Protest Slaughter

MUNICH — Bavaria has begun slaughtering imported cows to prevent an outbreak of "mad cow" disease, while cattle-breeding associations opposed to the mass killing promised Thursday to try to stop it in court.

In January, Germany's Agriculture Ministry ordered the slaughter of 5,200 cattle that had been imported from Britain, Ireland and Switzerland. The action was explained as a precaution against bovine spongiform encephalopathy, also known as mad cow disease.

Cattle-breeding associations in Bavaria said they would take their case to the European Court of Justice if necessary.

The slaughter began Wednesday, however, on a voluntary basis. Two hundred cows were killed and were to be cremated Thursday, a Health Ministry spokesman said. *(AP)*

Armenia Gets Prime Minister

YEREVAN, Armenia — President Levon Ter-Petrosyan of Armenia appointed the leader of the self-proclaimed Nagorno-Karabakh republic, Robert Kocharyan, to the post of prime minister of Armenia on Thursday.

Karabakh, populated mostly by Armenians but part of neighboring Azerbaijan, fought a bitter war for independence from Baku in 1988 to 1994, seizing large parts of Azerbaijan proper.

The fighting has stopped, but there has been no political solution. *(Reuters)*

ALBANIANS: *Fears in Macedonia*

Continued from Page 1

culture and the ways of most of the other people of the region that lead some people here to predict violence.

Albanians, whose ancestors were among the first inhabitants of the Balkans, live in a society with its own language and history. Albanian leaders describe the country's Albanian population as mostly Muslim and say that close ties within extended families and the rules of a very conservative tradition are essential characteristics of their culture.

In the rest of what was once Yugoslavia, millions of Croats, Muslims and Serbs easily intermarried, while Albanians, for the most part, have lived in what one foreign diplomat called a parallel world.

"They were in the same country, but whether they were peasants or well-off urban merchants, they always felt apart," the diplomat said.

In Macedonia there is almost no intermarriage between ethnic Albanians and ethnic Macedonians.

Sounding as dogmatic as the most separatist politician in Bosnia, Mr. Xhaferi said, "We can live side by side, but we can never mix with the Macedonians."

Mr. Xhaferi, in a rumpled blazer, with a graying beard, gives the impression of a philosophy professor. But Macedonian politicians say his call for greater rights for Albanians is a barely masked first step toward setting up a semi-autonomous region in Macedonia.

For his part, he says the only way to protect Albanians is to essentially rewrite the constitution to guarantee that any government action affecting Albanians be approved by Albanian officials in Macedonia.

"This is a historical struggle," he said. "The Byzantines wanted to absorb us, and the Romans and the Turks. They could not, and we will not be absorbed now."

What makes the call for greater protection for Albanians draw support from even the most moderate among them is the feeling that they are an abused minority. Officially they have all the rights of any citizen, and on Tuesday night the Parliament passed a resolution calling for tolerance and cooperation between ethnic groups, but in daily life they feel they are treated as second class.

"The problem is, there is considerable discrimination against Albanians because people don't like them," said a Western diplomat. "Now it's getting worse because Macedonians are afraid of them wanting to secede."

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ADVICO YOUNG & RUBICAM

Plot to Kill Palme and King Recounted by Swedish Lawyer

Reuters

STOCKHOLM — The unsolved 1986 murder of Prime Minister Olof Palme returned to the spotlight Thursday after a lawyer disclosed that a former client had told him about a conspiracy to kill Mr. Palme and Sweden's king.

The lawyer, Pelle Svensson, said his client, Lars Tingstrom, known as the Bomb Man after being convicted twice on explosives charges, disclosed on his deathbed in 1993 that he was part of a gang of four people involved in the murder.

The lawyer said Mr. Tingstrom had told him in a confession, part of it written and part of it oral, that he had planned the murder from his prison cell to take revenge on a society he hated.

"It was Lars Tingstrom who ordered the murder," Mr. Svensson told the daily newspaper Dagens Nyheter. "In total, there were four people, of whom two still are alive."

Mr. Svensson told Swedish media the gang consisted of Mr. Tingstrom, Christer Pettersson — who was convicted of Mr. Palme's murder in 1988 but later acquitted — a former bank robber and an explosives expert, now dead.

But Mr. Svensson said the primary target for the group was Sweden's king, Carl XVI Gustaf, not Mr. Palme.

He said it was only by chance that Mr. Palme was killed first, shot in a Stockholm street in February 1986 after leaving a movie theater with his wife.

Mr. Svensson said Mr. Tingstrom's hatred of society was the motive for the murder. Mr. Tingstrom, he said, claimed he had been wrongly convicted when he was sent to prison for five years in 1979 for sending a letter bomb to a former business partner.

While the court was dealing with the case, Mr. Tingstrom reportedly said, the prosecutor started a relationship with Mr. Tingstrom's fiancee and persuaded her to be a witness against him.

In 1982, the prosecutor's house was blown up by a bomb, killing one person, and Mr. Tingstrom was imprisoned for life. Mr. Svensson said Mr. Tingstrom knew his three alleged accomplices through the jail system.

The police have said new evidence would be needed, such as the murder weapon itself, if new charges were to be brought against Mr. Pettersson.

Mr. Svensson has said he knows where to find the gun.

Ari Lampinen/The Associated Press

Christer Pettersson, who was freed.

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Herald Tribune

THE WORLD'S DAILY NEWSPAPER

ULSTER: *A High-Profile Bid for Bail*

Continued from Page 1

formerly Bernadette Devlin, gained international celebrity. It was in 1969, at the age of 22, that she became the youngest woman ever elected to the British Parliament.

In spite of mounting pressure from around the world to relent on humanitarian grounds, the British government has held firm against granting Ms. McAliskey bail.

In an interview with The Irish News, published on Thursday, Bernadette McAliskey lambasted the British government for denying her daughter's request for bail, accusing it of "racist belligerence, insult and inhumanity."

On the defensive in a battle that pits the state against a frail, young and pregnant woman, the government has been forced into a series of embarrassing denials in recent weeks. No, said Prison Service officials last week in response to articles in the British tabloids, Ms. McAliskey will not be handcuffed to her bed during childbirth, and no, she will not have her baby taken from her side immediately after birth.

The government contends that granting Ms. McAliskey bail and allowing her to go to Ireland to have her baby would be tantamount to freeing her.

Ireland, the government notes, has refused to extradite prisoners to Germany, where Ms. McAliskey faces questions about her alleged involvement in an Irish Republican Army mortar attack in June on a British army barracks. No one was injured in the attack. By threatening to run for election to the same mid-Ulster parliamentary seat held until 1974 by her mother, Ms. McAliskey hopes to increase pressure on the government to allow her to have her baby outside the prison walls. In case the authorities balk, Ms. McAliskey has asked the other two Catholic candidates running for the seat to stand aside.

Her hope is that if she were elected to Parliament, the government would have no choice but to free her from her cell after the May 1 election, just days before her baby is due to be born.

But Ms. McAliskey suffered a setback Thursday when the moderate Social Democratic and Labour Party rejected her appeal for its candidate, Dennis Haughey, to stand down, Reuters reported. And a spokesman for the Home Office said there was no legal reason why Ms. McAliskey should be freed if elected. A Home Office minister said last week that proceedings over her extradition could continue into next year.

Ms. McAliskey's request for a united Catholic front puts Sinn Fein, the political wing of the IRA, in a bind. Its candidate is Martin McGuinness, one of the party's most powerful figures and a heavy favorite to unseat the incumbent, William McCrea, a Protestant hard-liner. On the other hand, Sinn Fein would not want to be seen as blocking the cell door for Ms. McAliskey, who has become a popular figure in her own right and who is in jail because of her alleged involvement with the IRA.

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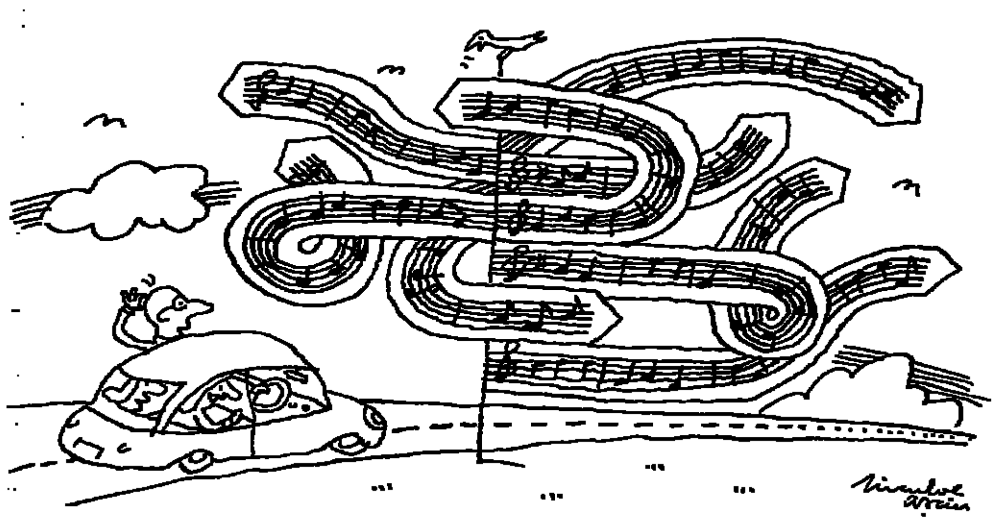


Niculae Asciu/IHT

So Many Music Festivals And So Little Time

By Paul Griffiths
New York Times Service

NEW YORK — This is going to be a long and circuitous journey, but the ideal summer tour of European music festivals starts out in Norway, toward the end of May, for a few days in Bergen. One of the joys here is the mix of local talent (including the pianist Leif Ove Andsnes in several concerts) with international visitors, among them the Komische Oper of Berlin and the Cloud Gate Dance Theater of Taiwan. The program goes all the way from medieval Italian songs to a new Norwegian opera, from Asian dance (Indian as well as Taiwanese) to European string quartets, from Pierre Boulez to Scandinavian folk music.

Glyndebourne opens before Bergen, but the early days of its season should be avoided on account of uncertain weather and a schedule only just beginning to gear up. Arrive in early June for the new production of Puccini's "Manon Lescaut," conducted by John Eliot Gardiner and directed by Graham Vick. A second night among the sheep-scattered slopes of southern England will allow us to attend the first "Figaro" of the season, with Charles Mackerras conducting a mostly British cast. A third would make possible an encounter with "Owen Wingrave," Benjamin Britten's pacifist ghost story.

A voracious fan maps his summer course.

A short journey through or around London takes us to Aldeburgh, Britten's adopted home town on the blustery east coast, where the festival he inaugurated will be happening this year for the 50th time. There is a new double bill of small-scale operas by Mark-Anthony Turnage, famed for his first such venture, "Greek." A new viola concerto by Alexander Goehr, called "Schlussgesang" and played by Tabea Zimmermann with Oliver Knussen conducting, is an enticing prospect. So are the programs of choral, chamber and piano music (recitals by Ursula Oppens and Imogen Cooper).

NEW FINDS And somehow Aldeburgh goes on finding new pieces by Britten, even 20 years after his death: this time the premiere is of his Double Concerto for Violin and Viola, a student composition of 1932.

At some point travel west to Garsington, just outside Oxford, where the country-house garden that was once a haunt of Bloomsbury folk is now frequented by the no less strange people you find in classical and neo-classical opera. Garsington has been reclaiming Haydn, and this year offers "Le Pescatrici," along with "Cosi fan Tutte" and the rarest of the Strauss-Hofmannsthal operas, "Agyptische Helena."

Put in a few days at the festival in Leiria, a couple of hours' drive north of Lisbon. Festival time provides the occasion for a small country to show off its specialties as well as welcome the world: F.A. Almeida and Carlos Seixas, for example, along with Bach and Vivaldi in a concert by the local Baroque orchestra, or Isabel Soveral and Joao Pedro Oliveira mixing it with Stockhausen and Ligeti in a program of electronic music.

As June turns into July think of heading for Munich, where the monthlong festival at the Bavarian State Opera presents 15 operas, three ballet evenings and several song recitals. Principal attractions include "Figaro" again, staged by Dieter Dorn, "Ariadne auf Naxos" (Colin Davis conducting, with Susan Graham, Felicity Lott, Thomas Moser and Hermann Prey), a new David Alden staging of "L'Incoronazione di Poppea" with David Daniels and Anna Caterina Antonacci, and "Giulio Cesare" in a wonderful Richard Jones production, with Ann Murray and Pamela Coburn as Caesar and Cleopatra, and Christopher Robson the effete Ptolemy. A second Handel opera, "Serse," also has Murray and Robson singing, and toward the end of the month there is plentiful Wagner, including the first two parts of the "Ring" with Peter Schneider conducting, Nikolaus Lehnhoff directing, and a cast led by James Morris, Nadine Secunde, Gabriele Schnaut and Siegfried Jerusalem.

It might be necessary at this point to do some commuting between Munich and Cheltenham, in the west of England, possibly with a stop-over in Stockholm to attend the 18th-century court theater at Drottningholm, which is presenting in July the earliest surviving opera, Jacopo Peri's "Euridice" of 1600. Drottningholm, though, could be left until August, when the show is the sumptuous "Orfeo" of Luigi Rossi, written nearly half a century later.

Stay in Munich from the 4th for six days ("Figaro," "Macbeth," "Bartered Bride," "Anna Bolena," Edita Gruberova concert), then go to Drottningholm and go to Cheltenham by the 12th. We get an Ockeghem Mass in Cheltenham College Chapel, Wagner and Brahms in the mighty Tewkesbury Abbey, and our second new Alexander Goehr piece of the summer ("Five Objects Darkly" for quintet).

At this point, flip back to Glyndebourne for a new "Comte Ory," with Andrew Davis conducting a production by Jerome Savary, and "The Makropulos Case" starring the marvelous Anja Silja. Leave Cheltenham directly for Munich to see "Giulio Cesare" and only after that revisit Glyndebourne, before returning to Munich for the Wagners.

Take the train or drive across the border to Salzburg, where five Mozart operas are on offer, including two rarities: "Mitridate" (Roger Norrington conducting) and "Lucio Silla." Herbert Wernicke's magnificent production of "Boris Godunov" is conducted by Valery Gergiev, and Peter Sellars stages Gyorgy Ligeti's "Le Grand Macabre." Then there are the concerts: orchestral programs conducted by Pierre Boulez, Claudio Abbado and Andrew Davis, a series of Schubert's violin works played by Gidon Kremer, recitals by sopranos from Dawn Upshaw to Renee Fleming.

LEAVE Salzburg around Aug. 23 to spend a few quiet days with more Ockeghem (this is his quincentenary) at the Flanders Festival in Antwerp. Then put in some serious time at the London Proms. The two-month Proms season, with concerts every night, is the biggest of the European festivals, and it covers a vast range. This year the programs will be sprinkled with Bartok and folk music, with great European orchestras (the Concertgebouw, the Leipzig Gewandhaus, the Gustav Mahler Jugendorchester and the BBC Symphony), with new pieces (from Iannis Xenakis, Roger Reynolds and Jonathan Harvey) and with unfamiliar music by Schubert, Brahms and Mendelssohn.

The Proms end on Sept. 13. After that we probably need a vacation.

Strolling Around Lovers' Lake

On Como's Shores, Enchanted Land of Villas and Gardens

By Roderick Conway Morris
International Herald Tribune

BELLAGIO, Italy — "I know of no other spot more obviously blessed by heaven," wrote Franz Liszt to an author friend in 1837, having eloped here with his lover Marie de Flavigny (who had left her husband, the Comte D'Agoult, to live with the composer), urging him, if he were to write about two happy lovers, "to set the story on the shores of Lake Como." The upshot of all this heady romance was Cosima, who later married Wagner.

This little town's charm has miraculously survived to the present day, its position at the crux formed by Como's inverted Y giving it lake views in almost every direction and its ethereal light effects, especially when a pearly mist lingers on the surface of the waters, lending the place a sense of enchanted unreality — the reason, perhaps, why this part of the lake has long exerted a powerful spell not only on artists and aesthetes but also some outstanding and cultivated eccentrics.

The miniature mountain that forms the tip of the Bellagio peninsula was converted in the late 18th and early 19th century by Duke Alessandro Serbelloni into one of the world's most spectacular gardens. He spent pharaonic sums on a permanent squad of uniformed gardeners, who terraced and planted the mountain's sides and built 18 kilometers of carriageway so that he could go on a good long drive, admiring the ever-changing perspectives without leaving his property.

The winding path through the gardens of Villa del Balbionello.

The Villa Serbelloni estate was bequeathed to the Rockefeller Foundation in 1959, and the wonderful grounds are open to visitors between about Easter and mid-October. Numbers are strictly limited, however, so it is worth booking in advance with the Assessorato al Turismo di Bellagio (tel.: 950-204; fax: 951-551).

The typical Como garden is characterized by the luxuriance and variety of its flora, and the lake's shores become a riot of color in May and early June when the tens of thousands of rhododendrons and azaleas are in bloom. In contrast, the Villa Serbelloni gardens, designed more to enhance the appreciation of the majestic surrounding scenery, with their predominance of cypress and olive trees and box and yew hedges, though enlivened by bright splashes, grottoes and statuary, are relatively restrained. More typical at Bellagio of the classic Como parkland to be found at Villa Carlotta at Tremezzo and elsewhere, are the grounds of the Villa Melzi (open late March to late October).

Bellagio also has one of the last golden-age grand hotels, the Grand Hotel Villa Serbelloni, which has resisted radical updating and has maintained its old-world atmosphere (while discreetly tucking away in an annex such innovations as saunas and a fitness center). Its owner, Gianfranco Bucher, is the great-grandson of Franz Joseph Bucher, a Swiss 19th-century self-made accommodator of the well-heeled, who built a dozen grand hotels, including the Semiramis in Cairo, and half a dozen mountain railways. Like most of the hotels in Bellagio, the Hotel Villa Serbelloni (tel.: 950-216; fax: 951-529) is open only from Easter to mid-October, as are two other comfortable and welcoming, but much cheaper, establishments next door that also have good lake views, Hotel du Lac (tel.: 950-320; fax: 951-624) and the Florence (tel.: 950-342; fax: 951-722).

Bellagio is the ideal base from which to visit Villa del Balbianello, Como's most beautiful and unusual villa, and Isola Comacina, the lake's only island, where there is a curious and amusing trattoria. Both of these are on the opposite side of the western branch of the lake and can be reached by the regular public boat services that run from spring to autumn.

Cardinal Angelo Maria Durini, an accomplished composer of Latin verse, onetime overseer in Malta of the papal fleet's operations against the Barbary pirates and the Vatican's nuncio to Poland, decided in 1787, while in his early sixties, to retire from the public stage and devote himself to the good things in life in the company of his learned and literary friends. Having failed in his bid to obtain possession of Isola Comacina, he acquired the modest 16th-century villa and small Franciscan church on the nearby headland, Dosso di Lavedo, which is isolated from the mainland by steep slopes and dense forest. Durini made of the promontory an exquisite complex of buildings and gardens, the appearance of which has changed little since the cardinal's death in 1796.

The inlaid inscription that still greets visitors at the foot of the steps, leading up from *the Villa's own tiny harbor, Rabelais's "Fay* ce que vouldras" (Do what thou wilt), well reflects the style of the epicurean refuge the cardinal created for himself here, far from the prying eyes of his nearest neighbors. Outwardly the Franciscan church, with its twin belfries, still looks like a place of prayer, but Durini had its interior converted into well-equiped kitchens, the towers providing convenient chimneys. The villa on the level above has secret passageways leading from the cardinal's bed chamber to one of the guest rooms, and to the magnificent Loggia on the high ridge of the promontory.

The Loggia, with its breezy, arched central area has sweeping panoramic views to north and south of the lake. The surrounding gardens, with their winding paths, lawns, terraces, pollarded trees and exotic plants, are perfectly molded into the natural contours of the headland, and on three sides cliffs plunge dramatically into waters as pellucid as those of the Aegean, below which a mirror garden of bright green aquatic plants sways to the motion of the gentle currents.

The Villa del Balbianello, an 18th-century cardinal's epicurean refuge.

Villa del Balbianello's last private owner, Count Guido Monzino, made of the villa's attic a museum to his expedition to the North Pole in 1971 and his ascent of Everest in 1973. On his death in 1988, Monzoni (whose ashes are enshrined in Cardinal Durini's subterranean icehouse carved out of the solid rock) left the Balbianello to FAI (Italy's National Trust), with its contents and its considerable collection of antique furniture, Chinese, African and pre-Columbian artworks, and extensive library of books and illustrations of mountaineering and polar exploration. The gardens and villa can be visited — the latter by prearrangement only — between April and October, by taking a boat from the nearby port of Sala Comacina. Further information available from FAI: 02-481-5556.

Isola Comacina can also easily be reached from Sala Comacina and by the public boats that regularly navigate the length and breadth of the lake. Above this pretty wooded island's landing stage is the Locanda dell'Isola Comacina, run by Benvenuto Puricelli and his family for nearly 40 years. Throughout this time the menu — which includes smoked ham, a superb range of vegetables and salad, grilled lake salmon-trout, fried chicken, Parmesan cheese and slices of peach or orange with ice-cream — has remained as invariable as "the law of the Medes and Persians, which altereth not." The pace is relaxed, everything is perfectly prepared and the meal eventually ends with a barmy coffee ritual designed to allay the evil spirits that supposedly inhabit the island, for which Benvenuto dons a woolly hat (the significance of which seems lost in the mists of time). The entire sumptuous feast costs 90,000 lire ($53) per head with wine (tel.: 0344-55083).

SHOPPING

A 24th-Generation Swordmaker Surveys a Dying Art

By David Tracey

KAMAKURA, Japan — "It's a long story," is the first thing Tsunahiro Yamamura says when asked about his family, which is the whole point. He is a 24th generation swordmaker. His son, who would be the 25th, has other plans.

Yamamura explains this in his workshop in Kamakura, a seaside city an hour by train from Tokyo. Kamakura today is a peaceful escape popular with day tourists who visit the Buddhist temples. But 850 years ago, when the first shogun ruled Japan, it was declared the capital, and became a hotbed of samurai activity.

Swordsmiths from around the country flocked here to serve the warrior class. The swords of the day were long, straight and hard, making them unwieldy to swing and prone to break. Mongol invaders around this time were kept from attacking Japan only by a "kamikaze," or divine wind that pushed their ships back, but Japan's rulers acknowledged that the invaders were better armed.

"The government realized that if there was another attack they were going to lose," said Yamamura, "so they started researching how to make a better weapon. That's when a man called Masamune helped come up with a new way to design a sword with blended steel. He was my ancestor."

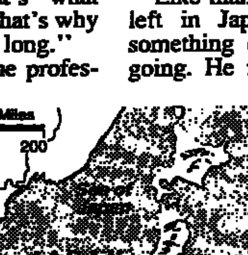
Masamune, born in 1274, looms large in the history of Japan. It was thanks to his innovation that the Japanese sword went on to become not only a superior fighting model, but a work of art admired even today.

He found a way to combine both soft and hard steels in the same sword. If the perfect balance can be established between the two, the curved sword will be resilient enough to withstand battle but not so brittle that it will snap. His technique was soon being imitated throughout Japan.

Masamune passed the tradition on to his son, starting what may be the world's longest recorded lineage in art. Because of their connection to the country's rulers, Yamamura's family has a detailed history of each master's birth and death. Yamamura can follow his family back through history to a time 200 years before Columbus.

PRIME TARGETS Others swordsmiths from Masamune's day started with the same idea of continuing the tradition from son to son, but they didn't last. When it came to war, the other side quickly figured out that swordmakers were good people to kill first. "Once the enemy found out who was making the weapons," Yamamura said, "of course they would want to stop them. Scouts would be sent into enemy territory to get the swordmakers. There were two things the scouts could do. One was kill them. A lot of swordmaking families died out this way. The other way, which they did with the best ones, was to take them back to work. That's what happened to my family, and that's why we were able to continue this long."

Peace was also hard on the profession. With the samurai battles pretty much over by the late 1500s, many swordmakers had to quit for lack of business. Yamamura's family continued the tradition, but in harder times.



"We used to have a huge amount of land," he said, sweeping his arm up toward a distant mountain. He smiled a little sheepishly as he nodded to his little storefront, where three people would make a crowd, and the connected workshop about the size of a two-car garage. "This is all we have left."

Today Yamamura's swords are bought by art collectors, people buying a family keepsake for a newborn, or patrons who donate them to shrines or temples. The cost starts at about 2 million yen (about $16,600). You pay more for the mounting, which is done by somebody else.

To keep the quality high, swordsmiths are permitted to produce only two swords a month. The government allows only three new entrants a year into the business.

Like many of the 300 swordmakers left in Japan, Yamamura must do something else to keep the business going. He makes kitchen knives. He produces a pile of them at a time, and doesn't seem too interested in talking about them. "If I could, I'd rather just make swords," he said, "but I do what I have to in order to eat."

In his workshop, Yamamura demonstrates one part of the long process. Dressed in white, the color of purity in the Shinto religion, he holds a block of metal the size of a chalkboard eraser. He thrusts it on a metal pole into the flames of coal fire, then pulls it out red and glowing to place under a mechanical pounder. The clang that results is deafening.

"We have to get all the impurities out of the steel," Yamamura explains when the machine is silenced. "It's very difficult to do because there are so many places where you can go wrong. Then if even a tiny air bubble gets into the steel before it's folded, it will end up making a scratch and I'll have to throw the whole sword out. I usually have to make about five swords to get one that I think is worth keeping."

The work is hard, it's hot, and it doesn't pay all that much. No wonder his 18-year-old son isn't interested.

"He wants to be a singer," Yamamura explained, a little sheepish again. "Opera. He says he's going to Italy."

He chuckled in embarrassment. "What can I say? I can't really recommend swordmaking as a great way to make a living."

LONG STREAK

Still, 24 generations is a long streak to see ended. Yamamura agrees, and hangs on to the hope that his son will be like him and change his mind when he gets older. At first the elder Yamamura didn't want anything to do with his family's swords either. He studied graphic design in university as a way out.

Then in his early 20s he got interested in the art of sword appreciation. Aficionados gather to examine notable works with the handles covered up so the maker's name can't be read. "I began to realize how beautiful a sword can be," he said. "After that, I wondered whether I couldn't make one myself."

His father had died in the war, so the 24-year-old Yamamura learned from his uncle. It took five years. "It was tough, but it really does takes that long just to learn," he said.

"There's a good chance this art will die out," Yamamura says. "The number of sons who are willing to carry on their father's work is dropping fast. As much as possible I'm working to see that it doesn't happen, but I don't know. I think new swordmakers will always appear, but whether they'll still have the ability to make fine swords or not is the question."

Yamamura is not near quitting yet. He's 52 but looks 10 years younger. He stays in shape by practicing *iaido* (the way of drawing the sword) and judo. Thanks to a recent commission, business these days isn't too bad. Orders for his swords are backlogged. If you want one now it you'll have to wait four years before it's ready.

But that's still not enough for him recommend the job.

"When I was learning, it was very hard and I thought a lot about quitting. Why did I continue? Only because I thought that I had to keep our family tradition alive. It was a defensive move, which is not the best reason to choose your life's work. But I knew that if I didn't do it nobody else would."

David Tracey is a journalist who writes often about Asia.

LEISURE

Silent Night, Sleep Tight, on 37th Floor of a New York Hotel

By Betsy Wade
New York Times Service

NEW YORK — Years ago, my father, a traveling salesman for most of his career, likened sleeping at the Plaza Hotel to sleeping at the bottom of a well: Totally quiet and dark.

As a New Yorker who has learned to sleep through most sirens, I thought of this when I spent the night in one of the New York Hilton's five Sleep-Tight Rooms, which are part of a test of 25 such rooms nationally. The cars I could see far below my 37th-floor window moved as if the sound had been turned off, and in the morning the bright winter sun did not penetrate the special draperies.

And I did sleep well, even with a chest cold. The night's rest was preceded by some back and forth with the Hilton, which initially gave me a room without the promised fancy sleep aids. But more of that later.

First, how does a hotel chain get involved in the physiology and psychology of sleep? A spokeswoman for the chain, Jeanne Datz, said that about three years ago, while the hotel chain was looking for new selling points, it undertook a survey of 500 business travelers. Datz said that a good night's sleep was the first priority, above shampoo, hair dryers and other amenities. The survey showed that 48 percent suffered some insomnia, from occasional disruption to chronic, with 12 percent in the chronic category.

Hoping to seize profitably upon this area, the hotel chain linked up with the National Sleep Foundation. Hilton and the foundation decided on a six-month test of specially equipped rooms, with the guests to evaluate the help they got in two areas: from devices to cut jet lag, and from other gadgets and suggestions to promote sleep generally.

The foundation created a leaflet, "Sleep and the Traveler," which is placed in the rooms. Hilton solicited manufacturers for aids to sleep such as special alarm clocks and light treatments for jet-lag symptoms; the manufacturers provided free samples for the 25 rooms. A looseleaf book provides explanations and instructions.

MAIN EXPENSE According to Datz, the room door has an extra plate on the bottom and the hinges are buffered, and these changes are undertaken by the hotels themselves, but the main hotel expense was training the housekeeping staff.

The 25 rooms, five each at the New York Hilton, the Capital Hilton in Washington, the Chicago O'Hare Hilton, the Beverly Hills Hilton and the Hilton Hawaiian Village, were opened Oct. 29; the six-month evaluation period closes at the end of April.

Datz said the hotels pick quiet areas for these rooms — away from elevators and ice machines — but not always on floors as high as mine because the hotels, levying no surcharge, want to offer the rooms at various rates, and the "tower" floors are usually higher priced. All rooms at O'Hare are sound-proofed anyway, she said. At the Capital Hilton, the rooms are in the center section, away from street sounds. In Hawaii, the rooms are scattered, and in Beverly Hills, the rooms are all on the top floor, the eighth.

With an HHonors card, my room on the high nonsmoking floor had a rate of $199 a night, plus $28.37 in state and city taxes.

Datz says that the test seems a success and Hilton is conferring with Hilton International about setting up rooms in Japan, Germany and other places.

When I checked into the New York Hilton late in the afternoon on a clear day in February, I was first given a regular room, even after specifically reserving sleep-tight quarters. I was more amused than irritated when I called to get moved.

At about 5 P.M., I was shifted to a proper room on the same floor.

Atop the dresser was a big Apollo Systems Light Box and a leaflet of instructions from a company called Bio Brite for timing the exposure to adjust periods of sleep and waking. Since jet lag was not a problem, I searched for other toys. The looseleaf cover labeled "Instruction Guide for Sleep-Tight Room Products" had no pages, so I called guest services again, and a Mr. Franklin from housekeeping called back. In a little time, he arrived with the pages.

The Bose Wave radio and music system was in the cupboard under the light box. It played soothing music on its three channels: "New Age," "Lite Jazz" and "Soft Hits." In the bedside table, there was a Sharper Image Heart and Sound Soother machine that produced rain, surf, white noise and other sounds. The heartbeat reminded me of Edgar Allan Poe, but the rest were O.K.

If it was all too much, there was a set of Aearo Company earplugs. ADD synthetic pillows were on the beds, and the superthick Serta mattress had a special foam topper that made the combination so thick the sheet did not tuck in. Both pillows and mattress toppings are designed to provide more comfortable sleep surfaces without activating allergies. The foundation acknowledges there is little research on the effect of the sleeping surface on the sleeper.

I inventoried the resolutely worthy minibar. No alcohol, and all the drinks were without caffeine: from Diet Coke to juice. The Snackwell cookie packs looked disppointingly healthful; three bags of Doritos did not. I bypassed the whole thing, and ordered a salad and a glass of skim milk from room service, which I ate listening to Lite Jazz.

Meantime, I could not find the Bio Brite Sunrise Clock and I called again. Patient Mr. Franklin from housekeeping came back to look in the cupboard and under the beds for it. He returned in a little while with the device, which had a Rosicrucian look: a flattish glass globe perched on a triangle. He said he had taken it from another Sleep Tight room. The idea of this wake-up device was to introduce light gradually into the room, half an hour before the buzzer sounded. But no matter how I tried, it kept dimming and glowing in a cyclical way, so I shut it off.

The hotel operator did her part: She called to see if I wanted my incoming calls blocked.

I read "Sleep and the Traveler," which gave me tips about avoiding jet lag and other problems. For example, the main disrupters of sleep are noise, the sleep surface, temperatures above 75 degrees Fahrenheit (24 degrees Centigrade) or below 54, and altitudes above 13,200 feet (4,000 meters). Worrying about sleep is itself a problem, the leaflet says, particularly the "first-night effect," where a strange environment causes restlessness, and the "on-call effect" — anxiety about a possible noise.

THE booklet suggested asking for two wake-up calls to avoid worry about missing the first.

Eventually, about 9 P.M., without looking at television, I turned off everything except the ventilation system, which I could not figure out, and pulled the opaque Roc-lon Total Light Control curtains shut, where magnetic rods held them snug. The room was utterly quiet and I fell asleep. Without the Sunrise Clock and not having left a special call with the anxiety-relieving checkback call, I slept until 8 A.M. in my dark, quiet well.

I thought the room was just fine, although the toys were redundant.

But I am no scientific sample.

The leaflet "Sleep and the Traveler" may be obtained from Douglas Consulting Group, 7758 Sunset Boulevard, Los Angeles, California 90046; fax (213) 845-0189.

MOVIE GUIDE

Rosewood
Directed by John Singleton. U.S.

"Rosewood" describes a heinous, long-hidden racial incident that occurred in Florida in 1923, an escalating tragedy that led to the destruction of a prosperous black town. A false accusation of rape allowed Rosewood's envious white neighbors to embark on a witch hunt in which at least eight people (and probably many more) died. It took only a few days for the population of Rosewood to be scattered, and for the town to be wiped off the map. Black survivors of the massacre finally received reparations in 1993. The film, a large-scale reenactment of this shameful episode, has been directed by John Singleton, who is known for his concern with social issues, and produced by Jon Peters, who is not. Together, they give a slick Hollywood gloss to an intrinsically wrenching story, filling it with so many stock characters and stereotypes that the audience's interest is preempted at every turn. Singleton ("Boyz N the Hood," "Poetic Justice," "Higher Learning") remains a solidly conventional filmmaker whose commercial style is much less daring than his taste in subject matter. With dutiful professionalism, he keeps this film looking substantial and makes sure that his characters' ideas emerge in an orderly fashion, one at a time. Neither the film's smug white bigots nor its uniformly noble blacks are well served by such oversimplification. But "Rosewood" has three leading actors who are so magnetic that they resist oversimplification. Ving Rhames, tough and formidable, makes himself someone to reckon with. The wiry Don Cheadle is especially good as the film's most defiant, bristling figure. And Jon Voight successfully finds nuances where not many exist.
(Janet Maslin, NYT)

Gentlemen Don't Eat Poets
Directed by John-Paul Davidson. U.K.

Combining a lordly country setting and a grisly imagination, the dark comedy "Gentlemen Don't Eat Poets" tries quite literally to skewer the British upper classes. One character winds up a vegetable, and another actually becomes dinner in this uneven satire adapted by Patrick McGrath from his novel "The Grotesque." It does live up to that title. As directed by John-Paul Davidson in the kind of comically peaceful setting that features geese waddling across the screen in long shot, the film pits the heartily peculiar Sir Hugo Coal (Alan Bates, in a good, spirited performance) against various threats to his dominion. Especially threatening in their quietly sinister way are the new butler, Fledge (Sting), and his watchful, mousy wife (Trudie Styler). This film's mood of strained sauciness is a reminder of "Cold Comfort Farm," which brought a much lighter touch to its comparably mischievous view of declining British aristocracy. That film held more surprises than this one, which has delivered all its worthwhile barbs long before a group of monstrous patricians sits down to enjoy a strange, gamy ham for dinner. *(Janet Maslin, NYT)*

Return of the Jedi
Directed by George Lucas. U.S.

To those who haven't seen the 1983 "Return of the Jedi," the third installment in the first "Star Wars" trilogy, this is where the big questions are answered. "Return" also brings some surprising revelations, as well as the final mano a mano between Luke Skywalker and Darth Vader. In a way, the movie — which was directed with more vigor than talent by Richard Marquand — brings things to an almost-cheesy conclusion. Given the gripping, dark elements that creator George Lucas introduced in the two previous films, the third movie's outcome smacks of PG-rated populism rather than artistic fulfillment. But the experience is still highly entertaining. Of course, as with the "Star Wars" and "The Empire Strikes Back" reissues, there's a little something extra. Lucas created the "Star Wars" trilogy before the advent of digital sound and his own THX theater-rating system. All three "special edition" versions come with digitally enhanced sound. "Return of the Jedi" (which was once going to be titled "Revenge of the Jedi") has some other new features: In Jabba the Hutt's sleazy world of otherworldly harlots, weirdos and mercenaries, for instance, there's a new musical number, featuring strange creatures crooning and vamping to a blues song. We get to see details of the fearsome Sarlacc creature that swallows and digests whoever is thrown down its gullet. And in the finale there are added scenes in Tatooine, Cloud City and Coruscant, the Imperial headquarters planet. So, what are you waiting for? *(Desson Howe, WP)*

Ving Rhames in "Rosewood."

BOOKS

THE COMING CONFLICT WITH CHINA
By Richard Bernstein and Ross H. Munro. Illustrated. 245 pages. $23. Alfred A. Knopf.

Reviewed by Orville Schell

EVEN before Deng Xiaoping's death, the question of whether China's economically dynamic but politically unsettled state of affairs would ultimately pose a threat to the interests of the United States and other nations was so sensitive that most members of the foreign policy establishment chose to tiptoe cautiously around it.

With Beijing alleging foreign plots bent on "containing" China's aspirations and denying Chinese "their rightful place in the world," few cared to offend Chinese Communist Party leaders with unflattering criticism.

The party has long mastered the art of controlling what its own people say and think. What is new is the way it has succeeded in controlling expressions of opinion from abroad as well. Its trump card in this global manipulation is, of course, its new ability to withdraw access to China's swelling market and to put pressure on foreign businessmen, politicians, diplomats, academics and even some journalists to be silent or even to polemicize China's brand of market Leninism.

HARPOONS But two former Beijing bureau chiefs — Richard Bernstein (who reported on China for Time magazine and now is a book critic for The New York Times) and Ross H. Munro (Beijing correspondent for The Toronto Globe and Mail and now director of the Asia Program at the Foreign Policy Research Institute in Philadelphia) have unrepentantly plunged harpoons into the tenderest interstices of the Chinese-American relationship. In "The Coming Conflict With China," they portray China as a growing economic and military threat that "during the past decade or so has set goals for itself that are directly contrary to U.S. interests, the most important of those being to replace the United States as the preeminent power in Asia."

They are particularly concerned about how China's long repressed yearnings for hegemony and its "historic aggrievement" have made anti-Americanism "a matter of national dignity." One foreign affairs expert in Beijing notes that it has become "politically correct to describe the U.S. as a sinister superpower, a dangerous enemy, a superpower bully."

A new wave of paranoid official accusations charging the United States with plotting to "subjugate China" by "subverting the Chinese government and strangling China's development" leads the authors to observe, "No other supposedly friendly country has attacked the United States more strenuously or with more rhetorical excess than China."

It is a great paradox that after suffering for a century as "the sick man of Asia" and then as the epicenter of a failed Marxist revolution and when now at last it is evincing signs of real economic success and global influence, China remains so lacking in self-confidence that its leaders need to conjure up phantom foreign enemies. So commonplace has overblown nationalist rhetoric become that Deng's insistence that even though "China and the United States are different in ideology, there is no conflict between their fundamental interests" already seems like a reverie.

China's new truculence is a reminder that those wellsprings of suspicion and hostility toward the outside world that grew out of the opium wars, fueled myriad xenophobic movements and gave rise to Mao's militant anti-imperialism have not vanished behind the signs of American fast-food restaurants.

Instead there remains a deep and enduring ambivalence in China about the West and Japan that will be difficult to overcome even if the United States finally does arrive at a China policy that is coherent, consistent and wise.

One of the most worrisome aspects of present-day China is the way the party's unyielding commitment to "unifying the motherland" could lead to a conflict over Taiwan involving the United States and Japan.

The authors go so far as to suggest that "Beijing's rulers will risk war with America not because it is in their country's interest but because it is in the interests of the governing clique." While they do not believe that war is unavoidable, they point to the fact that the United States is "a handy natural enemy" and that xenophobia is always a tempting way to unify a divided society.

While the authors support "engagement," they assiduously reject "that noble but naive American idea that better communications automatically lead to better relations" or that "making concessions to China and shrinking from imposing sanctions on it no matter how bad its behavior will encourage it to act with greater restraint and responsibility in the international community."

THEY are particularly critical of overseas businessmen. "China's efforts to impose its international agenda on foreign companies doing business in China has shaken up American businessmen," they write.

"But it hasn't shaken them into leaving China. It has shaken them into doing China's bidding more eagerly than ever."

This book forces us to confront the fact that as this errant "people's republic" reinvents itself, it has given rise to a society that is both undemocratic and off balance and capable of becoming a destabilizing force instead of a constructive one.

By laying out the dangers implicit in this new belligerence, Bernstein and Munro may offend many Chinese, but they may also help reset the goal posts for what one hopes will be a new and realistic debate over U.S. policy in the post-Deng era.

Orville Schell, dean of the Graduate School of Journalism at the University of California, Berkeley, wrote this for The New York Times.

ARTS GUIDE

AUSTRIA

Vienna
KunstHausWien, tel: (1) 712-0495, open daily. To April 6: "Horst Janssen: Radierungen, Zeichnungen, Aquarelle." An exhibition of more than 150 drawings, watercolors and etchings by the German artist (1929-1995). Excessive, abusive, and often on the verge of despair, Janssen created sarcastic self-portraits as well as pitiful erotic scenes.

BELGIUM

Brussels
La Monnaie, tel: (2) 229-12-11. Offenbach's "Orphee aux Enfers." Directed by Herbert Wernicke, conducted by Patrick Davin with Alexandru Badea and Elizabeth Vidal. March 21, 23, 25, 26, 27 and 30.

BRITAIN

London
National Portrait Gallery, tel: (171) 306-0055, open daily. **Continuing/** To June 8: "August Sander: In Photography There Are No Unexplained Shadows." A selection of 200 photographs by the German artist (1876-1964).
Royal Academy of Arts, tel: (171) 494-5615, open daily. **Continuing/**To April 6: "Braque: The Late Works." 50 paintings created by the French artist between the 1940s and his death in 1963.
Royal Opera at Covent Garden, tel: (171) 304-4000. Strauss' "Salome." Directed by Luc Bondy, conducted by Christoph von Dohnanyi, with Catherine Malfitano and Robert Hale/Bryn Terfel. March 29, April 2, 5, 8, 11 and 14.
Tate Gallery, tel: (171) 887-8732, open daily. To June 8: "Hogarth The Painter." While William Hogarth (1697-1764), the first British painter of influence, remains famous for his engravings, this exhibition highlights his achievements as a painter.

CANADA

Toronto
Art Gallery of Ontario, tel: (416) 979-6648, closed Mondays. **Continuing/**To May 25: "Edvard Munch: Prints from the Vivian and David Campbell Collection." Woodcuts and lithographs by the Norwegian artist (1863-1944).

DENMARK

Humlebaek
Louisiana Museum of Modern Art, tel: 49-19-07-19, open daily. To April 27: "Cai Guo Qiang." Installations dealing with the themes of nature, society and the individual. Combining Chinese objects and materials, such as rock, rice-paper lamps and ceramic and marble dragons with objects from Denmark, the artist creates images connecting ancient Chinese traditions with present-day international perspectives.

FRANCE

Lille
Opera de Lille, tel: 03-20-55-48-61. The Salzburg Festival production of Mozart's "Ombra Felice." Directed by Karl-Ernst and Ursel Herrmann, conducted by Louis Langree. March 22 and 24.

Paris
American Cathedral, tel: 01-44-62-70-90. A performance of Bach's St. John Passion by the American Cathedral Choir and the orchestra of the Academie de l'Ile Saint-Louis, conducted by Edward J. Tipton (March 22); same performance at Eglise St. Severin (March 25).
Grand Palais, tel: 01-44-13-17-17, closed Tuesdays. To July 14: "Paris/Bruxelles — Bruxelles/Paris." A confrontation between Belgian and French art in the second part of the 19th century. Documents paintings, sculpture, graphic arts, photography, litterature and performing arts in both countries. The exhibition will travel to Ghent in the fall.
Musee d'Art Moderne de la Ville de Paris, tel: 01-40-70-11-10, closed Mondays. To May 25: "Les Annees Trente en Europe." European art in the 1930s, and its implication in the historical and political context. Features paintings and sculptures by Abstract, Surrealist and Expressionist artists; works by protesting artists such as John Heartfield and propaganda art from the Soviet Union, Germany and Italy.
Musee d'Orsay, tel: 01-40-49-48-14, closed Mondays. To July 14: "Emile Verhaeren: Un Musee Imaginaire." Documents the role of the Belgian art critic (1855-1916) in the defense of the Belgian and French avant-garde at the end of the 19th century. Features works by Ensor, Khnopff, Redon, Delacroix and Van Rysselberghe, among others.
Musee Rodin, tel: 01-44-18-61-10, closed Mondays. To June 15: "Vers l'Age d'Airain: Rodin en Belgique." Brings together paintings, caricatures and sketches in red chalk created by the French sculptor (1840-1917) while he was in Belgium between 1871 and 1877.

GERMANY

Munich
Kunsthalle der Hypo-Kulturstiftung, tel: (89) 22-44-12, open daily. To March 31: "Schmidt-Rottluff, 1884-1976." Presentation of paintings, watercolors, drawings and sculptures by the German Expressionist known for his stark drawing, raw colors, and inspiration from African sculpture. The exhibition also displays 15 African sculptures from his collection.

A photo of Horst Janssen whose works are shown in Vienna.

ITALY

Venice
Palazzo Grassi, tel: (41) 522-1375. To July 13: "Arte del '900: La Pittura Fiamminga e Olandese." A selection of works by 20th-century Belgian and Dutch painters such as Van Gogh, Ensor, Magritte, Delvaux, Mondrian and Broodthaers.

JAPAN

Himeji
Himeji City Museum of Art, tel: (792) 22-2288. To March 30: "Europe at the End of the Century: Symbolism." Features 150 works by European artists from the movement that developed between 1885 and 1910, rejected objectivity and favored the decadent.

Tokyo
Tobu Museum of Art, tel: (03) 5391-3220, closed Wednesdays. To April 13: "Wisdom and Compassion: The Sacred Art of Tibet." From St. Petersburg, London and Los Angeles, a selection of Tibetan religious items created between the 10th and 19th centuries.

SPAIN

Barcelona
Centre Cultural de la Fundacio La Caixa, tel: (93) 458-89-05, closed Mondays. To April 27: "Oskar Schlemmer." Works by the German artist (1888-1943) who taught at the Bauhaus. The exhibition brings together his first Cubist paintings, as well as the drawings he did from the window of his house when he was considered a "degenerate" artist by the Nazi regime.
Museu Picasso, tel: (3) 319-6310, closed Mondays. To June 29: "Andre Derain, 1904-1912." The latest in a series of exhibitions devoted to artists who were influenced by Picasso. It brings together 60 paintings, sculptures and drawings created during the years of a great friendship between the two artists.

SWITZERLAND

Basel
Antikenmuseum, tel: (61) 271-2202, closed Mondays. To July 13: "Agypten: Augenblicke der Ewigkeit." More than 300 pieces dating back to 4000 B.C. from Swiss private collections of Egyptian art.

UNITED STATES

Los Angeles
Los Angeles County Museum of Art, tel: (213) 857-6000, closed Mondays. **Continuing/** To May 11: "Exiles and Emigres: The Flight of European Artists from Hitler." An exploration of the impact of emigration and forced exile on the lives and works of artists who fled Europe in the 1930s and '40s.

New York
Guggenheim Museum SoHo, tel: (212) 423-3500, closed Mondays and Tuesdays. To June 8: "Art/Fashion." The exhibition explores the interplay between visual art and fashion design in the 20th century through drawings, watercolors, photographs, garments, sculptural works and installations. Features works by artists such as Giacomo Balla, Christo, Sonia Delaunay, Lucio Fontana, Natalia Goncharova, Man Ray and Andy Warhol who made forays into the realm of fashion.
Metropolitan Museum of Art, tel: (212) 570-3791, closed Mondays. To July 6: "The Glory of Byzantium." Focusing on the Second Age of Byzantine civilization, from the 9th to the 13th century, the exhibition features more than 350 works of art, including mosaics, frescoes, ivories, enamels, silks, stone carvings, gems, ceramics, gold and silver, secular and liturgical objects, and icons. The exhibition documents the influence of Byzantine culture on Islamic states in the Near East and Christian kingdoms in the West.

BRIDGE

By Alan Truscott

TWO major titles remained to be decided recently at the conclusion of the American Contract Bridge League's Spring Nationals. Among the leaders in the Open Swiss Teams was the squad, led by Richard Schwartz of East Elmhurst, Long Island, which captured the prestigious Vanderbilt Knockout Team Championship.

The Schwartz team, which included Mark Lair of Canyon, Texas, Peter Boyd of Silver Spring, Maryland, Steve Robinson of Arlington, Virginia, Paul Soloway of Mill Creek, Washington and Bob Goldman of Highland Village, Texas, won after adventures comparable to the "Perils of Pauline." In the round of 16, they won their match by 3 imps, and survived the quarterfinal by just one after trailing into the final deal. During that match, Schwartz had an opportunity to demonstrate his defensive skill on the diagramed deal. Sitting West, he overcalled one heart with one spade and then had to defend against four hearts.

His lead of the diamond king was permitted to win, and it was essential to prevent a diamond ruff. He therefore shifted to his singleton trump, and South won with the ten. South cashed two hearts, then led a spade, hoping to reach the dummy and discard a diamond on the club ace.

As it happens, ducking the spade lead would have succeeded, but West did not know that his partner was void. He took the king and noted a club signal from his partner. But he resisted the temptation to lead a club or give his partner a spade ruff, either of which would have permitted the contract to succeed. Instead, he reverted to diamonds and defeated the game: South could not reach the dummy in time to take a discard on the club ace.

In the replay North brought home three no-trump, with some difficulty, and the Schwartz team gained 10 imps en route to their one-point victory.

NORTH
♠ Q 9 8 5
♡ 4
◇ 7 3
♣ A Q 9 6 5 3

WEST
♠ K J 7 6 3
♡ 8
◇ K Q J 4
♣ 10 7 2

EAST
♠ —
♡ J 9 6 3 2
◇ 10 9 8 2
♣ K J 8 4

SOUTH (D)
♠ A 10 4 2
♡ A K Q 10 7 5
◇ A 6 5
♣ —

Neither side was vulnerable. The bidding:

South	West	North	East
1 ♡	1 ♠	1 N.T.	Pass
4 ♡	Pass	Pass	Pass

West led the diamond king.

Anzenberger Agentur (except Schubert)

Vienna scenes: The giant Ferris wheel, Spanish Riding School, State Opera orchestra and Schubert.

Wine, Food and Song in Vienna

By Paul Hofmann

VIENNA — The Austrian capital, steeped in music and seldom at a loss for suitable anniversaries, is commemorating this year the bicentenary of Schubert's birth and the 100th anniversary of the death here of Johannes Brahms. Concerts, church music, recitals, exhibitions, lectures and productions of Schubert's rarely performed operas crowd the calendar, climaxing in the Vienna Festival Weeks, May 9 to June 19.

Visitors who think the Schubert-Brahms fervor approaches overkill will find that there are many other pleasures this spring and summer besides great 19th-century music. The tidy, well-to-do city offers a soaring Gothic cathedral at its geographical center, Baroque churches and palaces, the Art Nouveau decor of hotels and cafés, and interesting modern architecture. A galaxy of museums and picture galleries beckons, the red trolleys roll sedately around the monumental, tree-lined Ringstrasse, and the young local wine flows in the faux-rustic taverns in the hilly Vienna Woods. The giant Ferris wheel and other rides at the Prater amusement park are a joy. And the many confectioners display tantalizing arrays of tortes, strudels and dainty pastry.

User-Friendly

Greater Vienna has one of the most user-friendly public transport systems on the Continent, an integrated network of streetcars, buses, a clean subway and commuter trains. The basic ride, allowing any number of transfers, costs $1.47 (at a rate of 11.6 Austrian schillings to the dollar) if at least five tickets are bought in advance at key stops or one of the many tobacconists. For a tourist it pays to take a 24-hour $4.30 ticket good for any number of rides. If you stay for at least three days, the Vienna Card, at $15.50, is a good deal. It permits free rides on all public transport for 72 hours and offers discounts on admission to most museums and other sights, tickets at some theaters and purchases in listed stores. The Vienna Card is sold at hotels and at the Vienna tourist information office, 38 Karntner Strasse, (43-1) 513-8892.

An outdoor Tribute to Schubert in the vast square in front of the neo-Gothic City Hall starting at 9:15 P.M. on May 9 will kick off the Vienna Festival Weeks. Dennis Russell Davies will conduct the Vienna Radio Symphony Orchestra. Also performing will be the Arnold Schoenberg Choir, Marjana Lipovsek, Rainer Trost, Bo Skovhus and Stefan Vladar, and the Vienna State Opera Ballet. Free.

A rich concentration of musical events, primarily dedicated to Schubert and Brahms, will fill the following weeks, hardly letting up during the rest of the year. For instance, the Vienna Philharmonic will perform Haydn's Oxford Symphony and Schubert's Mass No. 6, conducted by Riccardo Muti, at the Konzerthaus at 11 A.M. on May 8.

The Vienna Philharmonic will again be heard on May 29 in an Alban Berg-Schubert program at the Konzerthaus at 11 A.M., led by the conductor Nikolaus Harnoncourt. Tickets are $17.25 to $120.

Thomas Hampson presents a lieder recital at the Konzerthaus at 8 P.M. on June 7, and the pianist Alfred Brendel will perform there at 7:30 P.M. on June 9. For Festival Weeks information, call (43-1) 589-2222, fax (43-1) 589-2249. On the Internet, it's http://www.festwochen.or.at

As part of the festival, Schubert's opera "Alfonso and Estrella" will be performed in a co-production with the Zurich Opera House at the Theater an der Wien, 6 Linke Wienzeile, at 7 P.M. May 10, 12, 14, 17 and 19. Harnoncourt will conduct the Chamber Orchestra of Europe. The Zurich Opera House will present its production of Schubert's "Devil's Pleasure Castle" in the same theater at 7 P.M., May 24 and 26, Harnoncourt conducting. Tickets: $8.62 to $69.

There are daily performances at Vienna's two opera houses, the State Opera and Volksoper, until the end of the season on June 30.

Works by Mozart, Verdi, Johann Strauss Jr., Wagner, Bizet, Puccini, Richard Strauss and others are scheduled. Tickets range from $1.72 for standing room at the State Opera to $198 for the best dress-circle seats at a gala; $35 to $45 buys a good seat at either house for most performances. The ticket office for both is at 3 Hanuschgasse, (43-1) 514-44-2960.

When thirst sets in, Austrian wines are agreeable: try the chardonnay from Styria or the light whites from the Wachau Valley of the Danube and the Wine Road south of Vienna.

IN the largest of its half-dozen rooms, Gosser Bierklinik, 4 Steindlgasse, (43-1) 535-6897, keeps a cannonball that the Turks lobbed into the old building when they unsuccessfully besieged Vienna in 1683. The restaurant specializes in the beer of a Styrian brewery, but various Austrian vintages are available, too. The menu is long, but you'll be safe simply with a cutlet or a fish out of the tank; it's the gemutlich ambiance that counts here. Dinner for two with beverage, around $50.

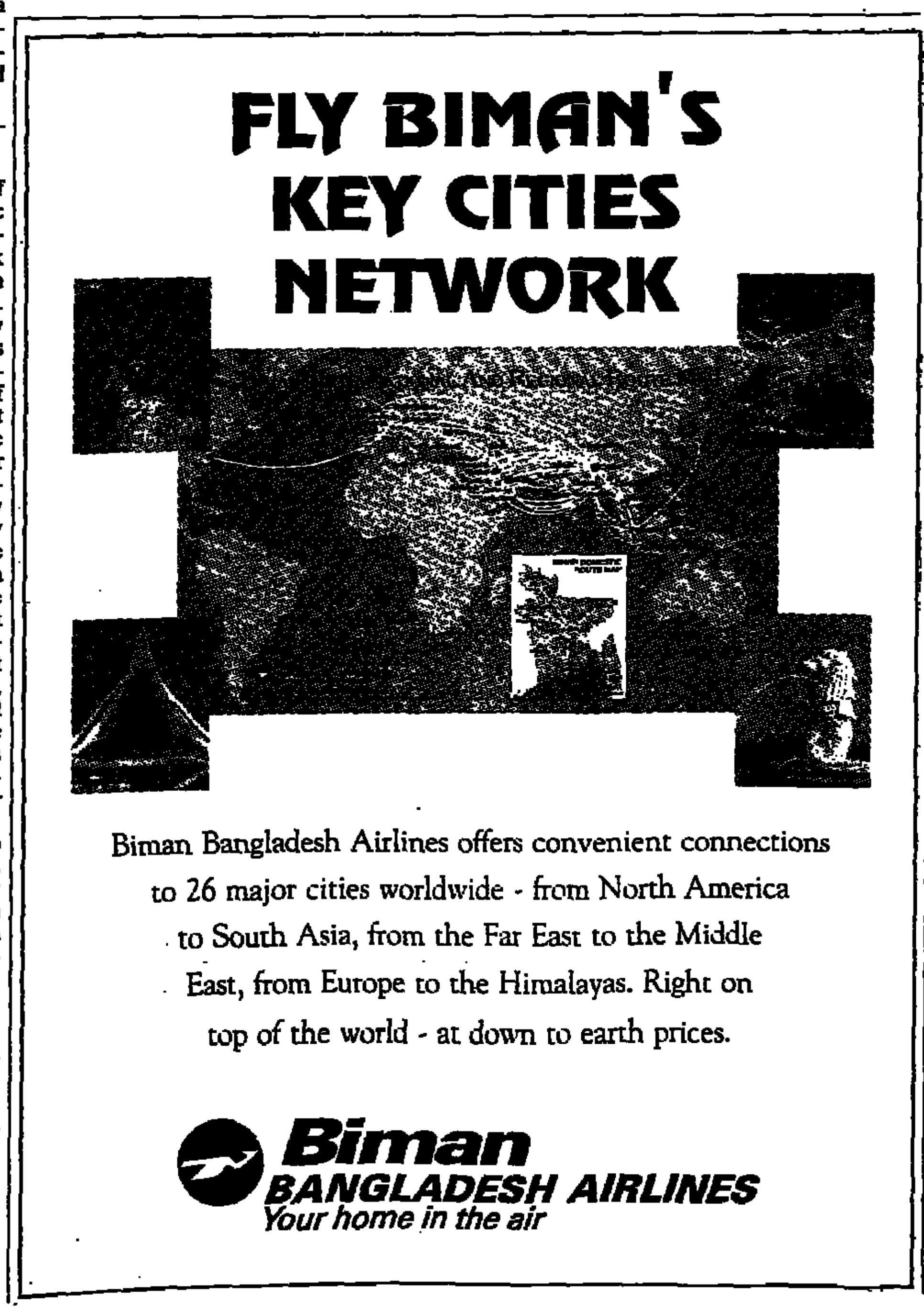
Gulaschmuseum, 20 Schulerstrasse, (43-1) 512-1017, offers 15 or more different versions of goulash, the Hungarian dish that the Viennese adopted centuries ago, each made distinctive by the kind of meat and the dosage of paprika. You'll pay $30 for a filling meal or snack for two.

The schnitzels are both crisp and tender at Zum Bettelstudent, 12 Johannesgasse, (43-1) 513-2044, a central brasserie with sidewalk tables. Lunch or dinner for two: $40 to $50 with drinks.

At Palais Schwarzenberg, 9 Schwarzenberg Platz, (43-1) 798-4515, you can dine in the 17th-century palace that today is a five-star hotel and the residence of its aristocratic owners. The Viennese culinary classic, liver dumplings in beef broth, for instance, is much daintier than elsewhere. Dinner for two: $250 and up with wine.

Among coffeehouses, Tirolerhof, 3 Tegetthof Strasse (43-1) 512-7833, near the State Opera, is perfect for a quick pre-performance bite. In this and all similar places a cappuccino and piece of cake will cost $5 to $7. Nobody will bother you if you nurse them for a couple of hours.

Paul Hofmann, a former foreign correspondent for The New York Times, wrote this for the Times.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Sites and Scents of Barcelona

By Al Goodman

BARCELONA — No visitor of sound mind would skip the Picasso Museum here to go see the city's sewer museum. Or miss the Miro Foundation or Gaudi architecture for the small museums displaying old shoes and funeral coaches.

But for seasoned travelers who have been to all of the famous exhibits, Spain's second metropolis still offers a few surprises among its 50 museums. The off-beat ones have a clear advantage in being devoid of crowds. Some receive fewer than 2,000 visitors annually.

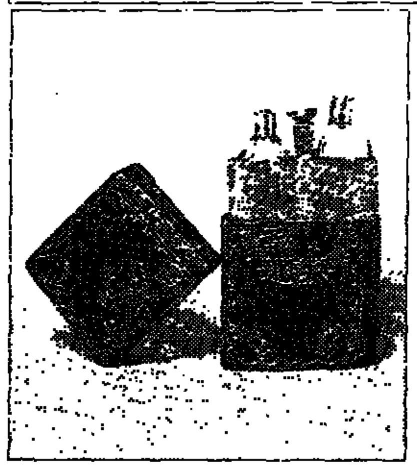
Funeral Coaches

The setting is appropriate — the city morgue, across the street from a few shops selling tombstones. The basement conceals an intriguing display of ornate hearses used from the 19th through mid-20th century. Elaborate angels adorned the horse-drawn carriages bearing the caskets, and watchful, decorative owls were meant to bring good luck. A cross topped all of the funeral cars. Then, as now, the wealthy and privileged had a more comfortable ride to the cemetery. One example is a French-built 18th-century hearse, pulled by four horses and guided by a large "black angel" and attendants in black uniforms. Corpses on more modest budgets rode in smaller hearses, and their relatives also had cramped quarters: While the somber black carriages for wealthy mourners had two side doors for easy access, poorer mourners had to crowd into their carriage through a single rear door. The museum opened in 1970 when a city official thought to preserve the old horse-drawn funeral coaches and motorized hearses, like a 1940s black Studebaker.

Museu de Carrosses Funebres, 2 Sancho de Avila (in the basement of the municipal funeral services building), tel: 484-1700. Open 10 A.M. to 1 P.M. and 4 P.M. to 6 P.M. Monday to Friday; morning hours only on weekends. Free admission.

Old Shoes

Shoemakers in Barcelona formed a guild back in 1203. They have been making beautiful footwear ever since, and from the looks of the 200 shoes in the museum, also causing a lot of pain to people's feet until recently. Many old soles were wooden, ensuring plenty of support. Some of the decorations were fabulous, like an 18th-century satin beige high heel, hand painted to depict a boy sporting a yellow waistcoat and a cloak, and a little girl wearing a burgundy dress. But the shoe's high-heel angle looks as steep as an alpine ski incline, and similar fittings on other shoes do not seem appealing by modern standards. The most famous shoes in the glass display cases belonged to the cellist Pablo Casals from 1928 to 1930, a pair of ankle boots, gray uppers, and



Porcelain figures, top, and Marie Antoinette's leather perfume case.

black at the bottom. The shoe museum has been open since the 1950s in a 16th-century building.

Museo del Calzado Antiguo, 5 Plaza de San Felipe Neri (near cathedral), tel: 301-4533. Open 11 A.M. to 2 P.M. Tuesday to Sunday. Entry: 200 pesetas ($1.50).

Sewer Museum

Nothing virtual about it, this is a true underground experience. The guide gleefully leads visitors downstairs, to 32 feet (10 meters) below street level, where a series of illustrated, well-lighted panels outlines the history of sewers, from ancient Babylon and Rome to modern Barcelona. The museum exists because the city had a big hole in the ground to fill after installing three new massive drainage pipes for the 1992 Olympics. Passing through a heavy metal door, one immediately hears the distant roar of a mighty river of wastewater. The pungent air makes it advisable to visit before dining. Yet the odors are not too dangerous, the guide explains, because engineers still find live rats in the deep recesses, a good sign of air quality. The tour encompasses only a short section of tunnels deemed safe and dry, a tiny part of Barcelona's 800 miles of sewers. Visits are prohibited on rainy days because of the danger of rushing wastewater.

Museu del Clavegueram. Enter through large, black glass kiosk in front of 98 Passeig de Sant Joan, tel: 457-6550. Open 9 A.M. to 2 P.M. Tuesday to Sunday. Entry: 400 pesetas.

Perfume Museum

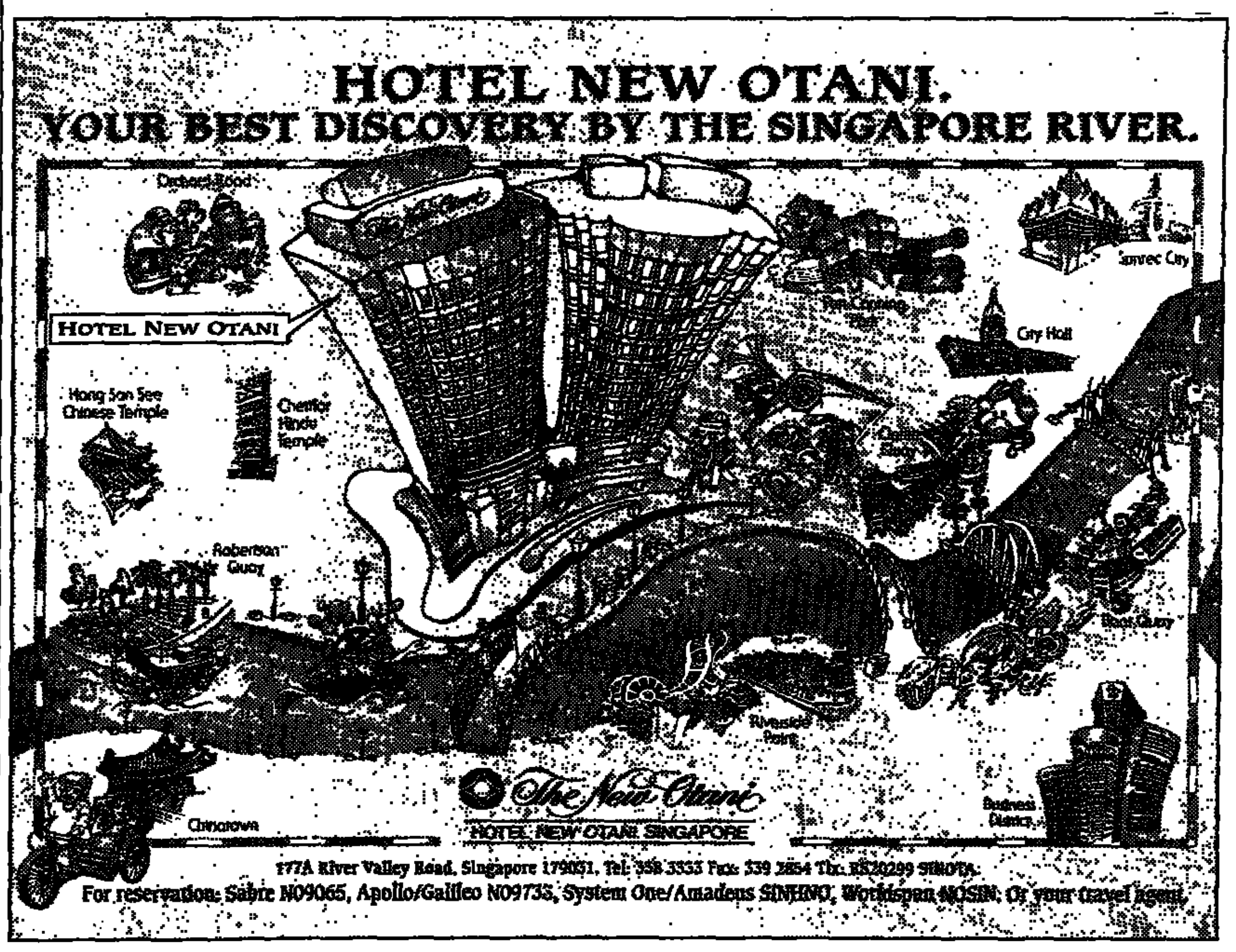
While the nose is still at maximum attention, a thoughtful detour leads to the Regia perfume store in the city center. Walk past the counters selling Estee Lauder and Yves Saint Laurent scents to reach the museum, behind a green-tinted glass door. The family-run perfume business started in 1928, and the museum opened in 1961. It displays 5,000 flasks and perfume containers, from ancient Egypt, through the Greek and Roman periods up to porcelain and crystal containers from the past few centuries. One belonging to Marie Antoinette of France was a gold-embossed leather case the size of a cigarette pack that held two crystal bottles and a tiny funnel.

Museu del Perfum, at rear of Regia perfume store, 39 Passeig de Gracia, tel: 216-0146. Open 10 A.M. to 2 P.M. and 4 P.M. to 8 P.M. Free admission.

Ramon Maria Planas, of the Regia store family, said that Barcelona has a strong tradition of museums because "there always were good collectors" in the area.

Planas knows a commerical banker who has collected hundreds of unused air sickness bags from numerous airlines. He does not plan to open a museum dedicated to nausea.

Al Goodman, who contributes to The New York Times from Spain, wrote this for the International Herald Tribune.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Russia Is the Issue

After comparing surgical histories, Bill Clinton and Boris Yeltsin slip some coins into the diplomatic jukebox and play a few top hits from the Cold War. Among the old favorites are nuclear arms reductions, the balance of power in Europe and the future of NATO. The agenda of the convalescing presidents reflects both the enduring importance of the nuclear weapons issue and the misplaced emphasis that the Clinton administration has given to NATO expansion.

The most threatening legacy of the Cold War is the nuclear arsenals still maintained by the United States and Russia. Although the number of nuclear warheads is falling, and the two countries no longer target their missiles at one another, the remaining firepower exceeds any reasonable limit. Mr. Clinton and Mr. Yeltsin need to devote much time to renewing the efforts of both countries to retire and dismantle nuclear warheads and missiles.

To that end, Mr. Clinton has sensibly offered to explore the outlines of a future arms reduction treaty to encourage the Russian Parliament to ratify the last accord, which was signed during the Bush administration. Mr. Yeltsin ought to welcome this offer and work with Mr. Clinton to cut warhead levels in each country to the 3,000-to-3,500 range specified in the last treaty and to set lower limits in a future agreement.

But these vital matters may not get sufficient attention in Helsinki. The reason is that Mr. Clinton has loaded the agenda with European security questions revolving around his determination to expand NATO eastward into Poland, Hungary and the Czech Republic by 1999. At a time when American and Russian officials should be talking about ways to consolidate democracy and free markets in Russia, they have been arguing over the number of tanks that can be stationed in Poland.

Under pressure from Washington, Moscow has at least temporarily given up hopes of stopping this expansion into Central Europe and is instead trying to negotiate the best terms it can before NATO officially issues invitations for new memberships this summer.

Washington, in turn, has offered a variety of inducements to Moscow, including a pledge not to place nuclear weapons on the territory of new members and a proposal to cut the number of conventional weapons in Western Europe while freezing the number in Central Europe. Washington has also promised a modest increase in financial assistance to Russia and an enhanced role for Moscow in international economic institutions.

Mr. Clinton and Mr. Yeltsin will no doubt spend considerable time haggling over the terms of a proposed charter that would spell out a new relationship between Russia and NATO. The idea is to make Russia a partner in many NATO activities, including peacekeeping missions like the current one in Bosnia, where Russian soldiers are participating. But Russia, at least for now, would not be invited to become a full NATO member.

The rush to enlarge NATO is not justified by any Russian military threat. Russian conventional forces are weak, and even a government with imperial ambitions would require years of draining expense before it could threaten Europe again. Nor will NATO growth do anything to bolster the economies of Central European countries, which face a substantial cost to modernize and integrate their military forces into the alliance.

The future stability of Europe depends more than anything on stability in Russia. Rather than taking actions that may isolate Russia and encourage a resurgence of Russian nationalism, the United States ought to concentrate on trying to help Russia rebuild its faltering economy, establish a fair and effective tax system and make democracy irreversible. Mr. Clinton and Mr. Yeltsin cannot advance those interests by debating the balance of power in Europe.

—*THE NEW YORK TIMES.*

Burton Discredited

Representative Dan Burton can no longer credibly serve as chairman of the House investigation of Clinton administration fund-raising in last year's campaign. Mr. Burton should acknowledge as much and step aside. If he won't, his party's leadership should take the initiative to remove him. The investigation, about some parts of which there already are serious disputes, otherwise runs the risk of becoming its own cartoon, a joke and a deserved embarrassment.

The Indiana Republican is reliably reported to have engaged in fund-raising practices that match in egregiousness the ones for which the administration is to be investigated. He used his seat as a senior member of the House International Relations Committee to help raise money from U.S. ethnic groups over whose native countries or brethren abroad he wielded great potential influence.

At one point in the last campaign, he is said to have gone so far as to complain to the Pakistani ambassador in Washington that a U.S. lobbyist for that country had failed to raise sufficient campaign money for him. An aide to then Prime Minister Benazir Bhutto sent a fax to the lobbyist, a former Democratic National Committee and Carter administration official, saying: "We were distressed to know from the embassy that Congressman Dan Burton says that you were unable to keep certain promises regarding fund-raising for his re-election campaign and ... were ... unhelpful in other matters ... This is most upsetting as he is a good friend of Pakistan."

Mr. Burton says that he is the victim of an attempted Democratic smear (no doubt of that), that he did ask the lobbyist to help raise "legal contributions" and did later "express his disappointment" with the lobbyist in a conversation with the ambassador "in an offhand way," but that was all. But that is the outline of enough.

The Clinton campaign is rightly being investigated in part for the money it raised from people with ties abroad. Among the questions is whether foreign governments were seeking to buy particular policies or influence with U.S. policymakers. There has been no shortage of indignation in Congress and elsewhere about that possibility, and it could be serious if true. There needs to be a forceful inquiry. Mr. Burton seems to us, by his own practices, to have forfeited the right to lead it.

If there were credible testimony that, say, Vice President Al Gore had made a complaint to a foreign government of the sort ascribed to Mr. Burton, we have no doubt that the congressman would be at the head of the line denouncing Mr. Gore's behavior. He would be right to do so, and by that same standard he needs now to withdraw.

The House vote on the budget for the fund-raising inquiry should be postponed until this and other questions on the nature of the inquiry are resolved. The budget would be the largest ever for a House committee, and there continue to be disputes about both the scope of the investigation and the power to issue subpoenas and make public sensitive information, which Mr. Burton says should be his alone.

But none of the power in this should be his. There ought to be a tough and authoritative investigation of how money was raised in the last campaign. Mr. Burton is not the person to conduct it.

—*THE WASHINGTON POST.*

Other Comment

The Purpose at Helsinki

From a news briefing with State Department Spokesman Nicholas Burns:

What's really going to be happening at Helsinki and beyond — in all the meetings that President Clinton and Chancellor Kohl and President Chirac and Prime Minister Major have, and the other NATO leaders have, with the Russians — is we're trying to design a new Europe for the new century — a Europe that's truly different than the Cold War.

And that means that we have to take into account the sensitivities and the sensibilities and the geostrategic position of the countries of Central Europe. And clearly, we want to bring some of those countries into NATO. We want to enhance their security.

And there have been some ridiculous and silly charges that the meeting in Helsinki is going to ... be a sellout ... There are not going to be any concessions made.

The security of those countries is fundamentally important to the United States.

The Washington Post.

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The Zaires and Albanias Don't Rate Anymore

By Thomas L. Friedman

WASHINGTON — If you have any doubts that the Cold War is over, watch CNN's coverage of Albania.

The reports usually begin by showing a map of the sea off Albania. On this map are little ships, each representing one of the U.S. and other foreign naval vessels that have rushed to Albania's shores. In the Cold War, the ships on that map would have been U.S. and Soviet warships competing over who would get into Albania first, fill the vacuum there and thus gain an edge in the worldwide superpower competition.

In the new era, an era defined not by the Cold War but by globalization, the game is different: The winner is the country whose navy gets its citizens out of Albania first and gets away the fastest. Today, the loser occupies Albania; the winner evacuates Albania.

And that is why conflicts like Albania, Zaire, Liberia and Algeria don't spread quite the way they used to. In the Cold War, these internal conflicts had a built-in reason to spread. The world was divided into zones of influence, and if pro-Soviet forces rose in Albania or Zaire, the United States supported pro-American forces next door.

And thus not only did the two superpowers help conflicts to spread, by backing different factions, they funded these factions to carry on the war.

Now flash forward to the new world of globalization — a world in which the integration of financial networks, information and trade is binding the globe together and shifting power from governments to markets.

In the world of globalization there is only one superpower, the United States. There is no worldwide competition with the Soviets, so there is no automatic impulse for the United States to take sides in Albania or Zaire. There are no "our guys" because there are no "their guys."

No one even pretends today that the war in Albania is Karl Marx vs. Thomas Jefferson. It is more the state mafia vs. the street mafia.

The Financial Times quoted a woman in Albania dragging away her front door for firewood as describing the political choices like this: "I don't care about the royal family or the president. They are all scum."

In the Cold War, all a Third World government like Albania's needed to do to get funds was to align with a superpower. But today the United States is low on cash and Moscow is broke. It is the supermarkets — the Tokyo, Hong Kong, Singapore, London, Paris, Frankfurt and Wall Street stock markets — that pass out the cash now.

And the supermarkets don't finance civil wars. Rather, they punish countries for war-making by withholding any investment capital for them to grow. In the world of globalization, the only way Albania or Zaire get financed is if they have a real government, and it is precisely because they didn't that they melted down.

Now they get the new Iron Curtain — the one the supermarkets build around the Zaires and Albanias, to seal them off so that the world can do business around them.

Still, globalization doesn't mean the end of geopolitics. All you have to do is look at China versus Taiwan or Arabs versus Israelis to know that competition for territory, resources and identity has not gone away in a market-dominated world.

But globalization definitely changes the costs and benefits that countries have to calculate as they play out their geopolitics. The conflicts in Albania or Zaire could spread, but it will be more like a cancer spilling over the border, not something driven from outside.

All of this has become rather confusing for U.S. diplomats, suckled on the Cold War. Who are the good guys in Zaire, besides the innocent civilians, and how do we help them? One U.S. diplomat I know who served in Moscow and is now in Africa said to me: "When I joined the Foreign Service, you knew where the goalposts were, and you knew all the plays. But now it's like you're in the huddle and everyone is asking everyone else, 'Which way is the goal line?' "

"The more I'm here," my friend added, "the more I feel like I'm in that scene of 'The Grapes of Wrath,' when the banker comes to take away the tenant farmer's home and the farmer threatens to shoot the banker, but the banker says it's not his fault, he's just working for the Big Corporation. The farmer asks, but where does it all stop? Who can we shoot? And the banker says, 'I don't know, maybe there's nobody to shoot.' "

The New York Times.

Russia, Not China, Ought to Be the Focus of American Policy

By William Pfaff

PARIS — This week's meeting in Helsinki between Bill Clinton and Boris Yeltsin arrives at a time when Washington is disposed to underestimate Russia and overestimate China.

Policy toward China is a matter of big and anxious debate in Washington. The conventional wisdom now has it that China will be the superpower of the 21st century, ready and able to challenge the United States, while Russia will indefinitely remain in political disarray and economic anarchy.

Ten years from now the opposite could actually be true. China has its ideological and leadership crisis still ahead of it. Its industrial boom owes everything to foreign investment and foreign markets. Its internal economic, political and regional tensions are acute.

A disastrous transition in Hong Kong (which is more likely than not), trouble with Japan or Taiwan, or with Southeast Asia over Chinese claims in the South China Sea, could dry up that investment and those markets. China has not demonstrated a capacity for self-sustained, autonomous, industrial development and technological innovation.

Russia has. Soviet Russia made itself a superpower out of its own resources and national determination, sufficient to keep the United States intimidated between 1945 and the late 1980s. Less than 20 years ago, influential American groups questioned whether democracy could really prevail against the Soviet challenge.

Russia has renewed leadership. It has Alexander Lebed in the wings, who wants to be a de Gaulle. It would be most unwise to conclude that Russia cannot again become a major international power. It has been one for the past 250 years.

The United States treats China with respect and caution. It deals with Russia today in a summary manner. Mr. Clinton will have clapped Mr. Yeltsin on the back, and the press will be told how pally they are, but Moscow is aware that the United States considers itself in a position to do whatever it chooses in Central and Eastern Europe.

Those of Washington's allies in a mood to demur over NATO's expansion will be told that the issue before them is not NATO's future but rejecting the friendship of the United States — or so Zbigniew Brzezinski advised the Senate in a March 5 briefing. Mr. Yeltsin is being told in Helsinki that expansion is not open to discussion. The discussion will merely concern the modalities of Russia's acceptance of NATO expansion.

Mr. Yeltsin will demand that expansion in no circumstances extend to countries once members of the old Soviet Union. If in this case, the Baltic states, Ukraine, Moldova and Belarus would be assigned to a buffer zone between NATO and Russia, their independent future implicitly compromised.

The United States will of course refuse to concede that any country can be excluded from NATO. For practical purposes it will already have conceded this, since the countries left out now, which are on Russia's border, will have no choice but to search for individual accommodations with Russia.

The United States will say that NATO's expansion will resume in the future. But in the eyes of everyone there will have been a new Yalta. The United States will, on its own initiative, have redrawn a line of political division in Europe between the states that it is now prepared to defend and those excluded from its security guarantee.

I speak of the United States rather than of NATO because in this matter the other 15 members will have little say. Expansion is the latest stage in a transformation of NATO that has been going on now for some time.

From the alliance of major and minor powers that it formerly was, with a shared and clear military mission, NATO is being turned into an organizational extension of American political power in Europe.

This is seen in Washington as part of a continuing and benevolent consolidation of democratic world forces under American leadership.

The change was made clear, paradoxically, during last year's negotiations over creating a "European pillar" in NATO and a new command structure. These ended in a strengthened U.S. position, and defeat for the French and other would-be reformers.

I am assuming in this argument that the U.S. Senate will ratify NATO expansion. Neither the Senate nor the American public has yet awakened to the implications of expansion for U.S. security. It is possible that the Senate will not extend military and nuclear guarantees to new members. That would provoke a deep crisis in U.S.-European relations, and a realignment of forces in Central Europe.

Senate opposition is the only thing that can stop the train of expansion. But a Senate failure to ratify expansion would do more damage than expansion itself risks doing.

The strangest thing of all is that none of this was necessary. And whatever happens, in the end it will leave everyone less secure than they are now.

International Herald Tribune.
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Western North America Wants Closer Relations With China

By Tom Plate

LOS ANGELES — For those of us who live in the western United States and Canada, there is no avoiding the obvious: History, ethnicity and geography all conspire to press our collective noses against the Asia-Pacific glass.

Asian immigrants flock to Vancouver; aerospacey Seattle finds itself with do-or-die economic stakes in Asia; more Koreans live in California than anywhere outside Korea. That is why a belligerent U.S. relationship with China, Asia's biggest deal, is totally unacceptable to people on this slice of the planet.

Two cities that well reflect that common sense and PacRim sensibility are San Diego and Long Beach. They are showing the way to better U.S.-Chinese cooperation.

This Friday, San Diego hosts a remarkable event. With U.S. and Chinese flags flying, it will welcome a small visiting flotilla of modern Chinese gunships. This will be the first time that any element of the Chinese navy has docked at a mainland U.S. port.

America's one-man-band answer to the shrillest of Beijing's propagandists, Patrick Buchanan, rails against Long Beach for its plan to refurbish an abandoned U.S. naval base and lease it to the China Ocean Shipping Co., a big state-owned China firm that would employ it as its main U.S. facility. Paranoidly, my fellow American envisions the port metamorphosing into some kind of smuggling and spying entrepot.

Last week, as the debate intensified, our two California senators publicly asked the National Security Council to look the deal over. They reflect that last year U.S. officials seized a Cosco ship for small-arms smuggling, allegedly targeted for sale to Los Angeles street gangs.

They are right to raise the question, but Sandy Berger, President Bill Clinton's national security adviser, should look but not touch. By the time the facility is actually up and running, America's spooks will have surrounded it with the best electronic surveillance money can buy. Then let Cosco try something fishy. U.S. intelligence could only dream for Chinese activities to be so obvious, so concentrated in a single location.

Long Beach deserves respect, not ridicule. Like much of the rest of the West, it is trying to develop a booming business with China.

Already the port of Long Beach takes in about one-fourth of all Chinese goods shipped to the United States. And California's trade with China keeps increasing. This is a good deal all around. Rooted in ethnic ties as well as mutual economic need, such arrangements can help ease inherent frictions in the larger bilateral relationship.

Not all frictions will go away easily, to be sure. One sore point is China's modernization of its military. Recently, in a presentation to members of the Pacific Council on International Policy, Michael Swaine, the distinguished analyst from Rand, painted a usefully detailed picture of China's military establishment. It gave pause to any unthinking pan-Pacific peacenikism.

China's increasingly influential military-industrial-commercial complex, he suggested, could become the unpredictable wild card in the Chinese-U.S. relationship. "The absence of a paramount leader since the death of Deng Xiaoping could provide the Chinese military with increasing leverage over national security strategy. I'm not predicting that the [armed forces] will become a swaggering juggernaut. But there are conditions that could draw them into foreign policy."

It turns out that our friends up north in Canada, which also has a huge stake in China's evolution, have concerns about that, too. Said Canada's Foreign Minister Lloyd Axworthy in a candid interview last Friday: "Canada is also becoming preoccupied with China. What will happen there will make waves for the next 100 years."

Mr. Axworthy believes that America and its allies absolutely must begin to forge a common approach to China: "I'm worried that the West will fail to get its act together. If we don't, we will get picked off one by one. You know, if they don't like the way you blow your nose, you're going to lose your Airbus contract. It's time for the Canadians, the Americans and the Europeans to rethink our relationship. We'd better sit down and do some hard work."

No one will get any richer, wiser or more secure underestimating the diplomatic skills or military potential of the People's Republic. The best advice is the simplest: Keep your powder dry. But keep a welcoming hand outstretched.

Los Angeles Times.

Israel Makes Arafat Look Good

By Akiva Eldar

JERUSALEM — Benjamin Netanyahu, leader of the Israeli "national camp," paved the way for Yasser Arafat, leader of the Palestinian national movement, to the White House. He dragged Mr. Arafat from violence to diplomacy, using his own bulldozers.

Then King Hussein begged forgiveness from and shared the grief of seven mourning Israeli families, whose daughters had been killed during a madman's attack.

Mr. Netanyahu's obsession with chalking up a Jewish neighborhood in East Jerusalem to his credit brought about a public acknowledgment by the Americans and the Palestinians that Israel is damaging the peace process.

Mr. Arafat, to whom until a few months ago Mr. Netanyahu referred as "the leader of the terrorists," owes him the honor of reclining on the Oval Office cushions. This was the first time he had gone there on his own, unaccompanied by an Israeli leader.

The U.S. Congress, too, is getting used to Mr. Arafat, and even the mainstream of the American Jewish community seeks his company.

His restrained reaction to Mr. Netanyahu's East Jerusalem gambit apparently removed the Clinton administration's last reservations against formalizing relations between the United States and the Palestinian Authority. The change was soon demonstrated by American participation in an emergency international meeting convened by Mr. Arafat in Gaza.

One supposes that the settlers of Hebron were not pleased. They won't easily relinquish their zero-sum mindset: What is good for the Arabs must be bad for the Jews.

Yet every presidential cushion that Mr. Arafat sits on signifies a further stage in the process of legitimizing the Palestinians.

And, as Mr. Netanyahu well knows, visiting the White House can become addictive. From now on Mr. Arafat will be even more motivated to avoid power confrontations in East Jerusalem.

If what Mr. Netanyahu wants is an honest negotiation with the Palestinians, he can record the Clinton-Arafat meeting to his own credit.

But he has not yet internalized the fact that the Oslo agreement changed the game to win-win. As long as Israel keeps playing by the old zero-sum rules, it will enhance Mr. Arafat's influence abroad.

In order to assure room for maneuver in the Middle East, even the president of the only remaining superpower must keep up his credibility. He has to be able to give the king of Morocco and friends in the Gulf substantial reason for returning Prime Minister Netanyahu's phone calls.

In the absence of "confidence-building measures" (a euphemism for special consideration for the weaker party), Mr. Clinton will need to work very hard to gain Arab understanding for the U.S. veto of the Security Council denunciation of the East m building project. To do so, he first must himself believe in Mr. Netanyahu's credibility.

The decision to further transfer territory in the West Bank to the jurisdiction of the Palestinian Authority was a good start. It could have been even more effective had the prime minister consulted with Mr. Arafat first. Suspending unilateral steps, such as development of disputed territories in East Jerusalem, is essential for rehabilitation of the Israeli-Palestinian dialogue.

King Hussein's dramatic visit to Israel offered an alternative of reconciliation and diplomacy to the familiar cycle of violence in the Middle East. Yet the complex situation requires more. If Mr. Clinton fails to use the current diplomatic momentum, he will share responsibility for a retreat back to violence.

The writer, a political columnist for the Israeli daily Ha'aretz, contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Bear Meat

PARIS — On average six bears are eaten by Paris *gourmands* each year. A Paris newspaper has ascertained that they are not hunted, but come from certain menageries, whose proprietors kill their bears when they get too old for exhibition and sell their carcases. With regard to bears being seen in so many game dealers' shops, it seems that as this sort of game is rare they lend one another the carcase to expose for a day or two, so that the same bear usually goes the round of most of the Paris shops.

1922: Federal Theft

WASHIINGTON — The biggest theft from the Federal Treasury in recent years was unearthed to-day [March 21] by secret service operatives when they discovered $175,000 in Liberty Bonds hidden in an attic at the home of Charles Clevenger. He is twenty-five years of age and a clerk in the Treasury department.

1947: Palestine Trap

JERUSALEM — Palestine is a country of people caught in a trap. The Jews are trapped between their own extremists and terrorists on the one hand and British rule on the other. The Arabs are caught in the vise of their threatened feudal social system and their fear of Jewish domination. The British are trapped by the results of a fumbling policy which has led directly to the present impasse. Any real co-operation between Arabs and Jews in a bi-national state is visionary. But a settlement will have to be made and it is almost inescapable that it will have to be imposed by force. Solomon himself would be hard put to it to find a settlement just to both Arab and Jew.

OPINION/LETTERS

The Shameful Treatment Of a Good Public Servant

By Richard Cohen

WASHINGTON — Anthony Lake, the onetime national security adviser, was plenty weary Tuesday, the day after he announced he was withdrawing his nomination as CIA director, and was heading home in his car as we talked on the phone. The man was tired, but I put my question to him anyway: Where do you stand on Sacco and Vanzetti?

Mr. Lake did not hesitate: "Guilty on Sacco, not so sure about Vanzetti." (Actually, my notes are a bit unclear; it might have been the other way around.) Anyway, Mr. Lake knew perfectly well why I had asked him that question. For two days running at his Senate confirmation hearings, he had been asked whether he thought Alger Hiss had been a spy for the Soviet Union in the 1940s.

The question was raised by Senator Jon Kyl, an Arizona Republican, and stemmed from a question that had put to Mr. Lake on the television program "Meet the Press" last November.

"Do you believe Alger Hiss was a spy?" the program's moderator asked. Mr. Lake responded that from the books he'd read, it seemed Mr. Hiss "may have been," but he felt the evidence was not "conclusive." He later said he had flubbed that question. Of course, Alger Hiss was guilty.

Mr. Lake should have given the second answer first and saved us all lots of time. But I cite the Hiss flap to illustrate that Mr. Lake was not being self-serving when he characterized his confirmation hearings as a "political circus" that showed little promise of being brought to a conclusion. "It is nasty and brutish without being short," Mr. Lake wrote President Bill Clinton.

It is true, of course, that Mr. Lake was far from the perfect candidate to be the next CIA director. He is a man who always seems to leave a muddle in his wake. His critics could not decide if he was a dangerous rogue willing to ignore Congress in the making of foreign policy or, on the other hand, a timid incrementalist who, as a philosopher long ago described it, cannot go from here to there because he goes only halfway each time.

It is also true that Mr. Lake was not a spiffy manager. He ran the National Security Council in such a way that when the FBI came a-visiting with the news that China might try to influence the U.S. elections, Mr. Lake was kept in the dark.

Similarly, he did not know that a character accused of embezzlement, Roger Tamraz, had gained access to both the council staff and, ultimately, President Clinton in what has to be called the usual method: making a large donation to the president's favorite charity, the Democratic National Committee.

This last lapse, reported by The Wall Street Journal, did raise questions about Mr. Lake's management style and bothered Democrats as well as the usual Republicans.

News of the Tamraz episode came on the day Mr. Lake withdrew his name from consideration. But as Mr. Lake has said repeatedly, even before anything was known about the Tamraz incident, he had already considered taking his name out of consideration. From the moment he was nominated, it was clear that certain Republicans — prominently, Richard Shelby, the Republican who heads the committee — were going to use him to mug Mr. Clinton and settle some old score, including Mr. Lake's apostasy over Vietnam policy.

Mr. Shelby, it turns out, does not have either the honor or the guts to own up to what he did. He was out to get Mr. Lake — and get him he did. Yet, the good senator sanctimonied his way from one interview to another, insisting that his problems with Mr. Lake had to do with his shortcomings as a manager — and, swear to God and hope to die, nothing else. If that's the case, why did Mr. Shelby want to get Mr. Lake's raw FBI files? Did they contain a management critique?

The questions concerning the Hiss case were, in a way, typical of the atmospherics surrounding the Lake nomination.

All Washington knew the game that was being played. Mr. Lake was going to get trashed — a fine thanks for years of public service and a fair warning to those who would consider it for themselves. A good man was badly treated. It is that simple.

Washington Post Writers Group.

HERE'S YOUR PIECE.
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Los Angeles Times Syndicate

Benjamin Netanyahu advances the West Bank peace process.

LETTERS TO THE EDITOR

Challenging China

Regarding "Challenging Beijing Is Not the Way Forward for Hong Kong" (Opinion, March 10) by Franklin L. Lavin:

Mr. Lavin rightly argues that the people of Hong Kong and the British government should have more realistic expectations of what Hong Kong's future leader, Tung Chee-Hwa, can do. Too often he is criticized as being week compared with Governor Chris Patten, who is fond of confrontation. But Mr. Patten can afford to ruffle feathers — he won't be living there after the July 1 transfer. Mr. Tung is there for the long haul.

JESSE M. MARTINEZ.
Ho Chi Minh City.

Mexico's Problems

Regarding "Mexico Is Really in Bad Shape, So Stop Seeing Silver Linings" (Opinion, March 5) by Jorge G. Castañeda:

The author finds it a "mystery" that the Clinton administration continues to put the best light on Mexico's troubles.

There is no mystery; the answers are within the article. It is because, as Mr. Castañeda says, the export sector is showing impressive growth of 20 percent a year. The huge profits involved flow directly to the U.S. corporate elite influencing the American agenda.

Poverty, corruption and drug-running do not concern those in power as long as the money keeps coming in. Multinational corporate policy is based on greed, not ethics.

ERIC FRANKE.
Fos, France.

Economics Lesson

The description of Chancellor Helmut Kohl's plan to lower Germany's taxes as "classic supply-side economics" ("Kohl Presents Tax Reform to an Increasingly Skeptical Germany" Jan. 24), mixes two schools of economic thought. According to the article, the plan is supply side because it will "stimulate the economy by giving Germans more to spend." But that is a Keynesian rationale for a tax cut — spending will stimulate the economy, creating more jobs. The supply-side argument is that cutting taxes encourages people to create more wealth because they are allowed to keep more of what they themselves earn.

Keynesian arguments depend upon greater spending. But greater spending without a corresponding increase in productivity only leads to inflation. Supply-side economics gives people a positive incentive to be more productive and create wealth.

EDGAR C. SHERMAN.
Heerde, Netherlands.

Dirty Air in Paris

As a Paris resident, I did not have to read "Paris Comes Under Pollution Alert," (March 11) to know that air here is unhealthy. For a week, a noxious fog of fumes had been burning my family's eyes. Unfortunately, that week was not an isolated case — Paris has some of the highest rates of carbon monoxide and lead pollution of any major European city.

The authorities need to mandate the use of catalytic converters and unleaded gasoline and limit the use of diesel fuel. Strong action needs to be taken to reclaim clean air for Parisians.

EVELYN WINDHAGER-SWANSON.
Paris.

First-Time Authors Just Get No Respect

By Kyle Jarrard

PARIS — Call this "Briefs From the Literary Darkness":

Austin, Texas, first stop: A book tour that opens with a fire is going to be special. There I am in a hotel practicing for my first stateside reading from my first novel, "Over There," when black smoke starts rising into the sky. It's blocks away. I yawn.

MEANWHILE

Later, en route to the bookstore, the traffic signals are out, making each intersection a tentative four-way stop. We roll through the sooty evening, only to find the store in darkness and a note on the door: "Closed for lack of electricity."

A security guard tells us that a transformer caught fire at an electrical substation. No telling when the power will be back on. I turn in circles on the sidewalk, hoping for a miracle. "Are you the author?" the guard asks. "What kind of book is it? Fantasy? I love fantasy."

I circle some more. One minute to seven. Then, ping! The electricity comes back on. The few people who have been waiting in their cars head for the door. The guard bars the way: "Sorry, everyone in the store went home. Come back tomorrow." We mope some more, then go get drunk.

Dallas: It's a well-lighted lectern in a little theater and the audience of 50 or so lies in the dark. Halfway into the first page, someone starts moaning as if sick. Or trying to be funny? It goes on a while, then stops. Halfway through the reading, someone rips a sheet of paper off a pad. The moaning starts again. Then the piece of paper gets wadded up. I almost stop, but refuse to take the bait. The rest of the reading goes well, and everyone applauds and comes forward.

First among them is a tall man with a notepad. I know he's the culprit.

"Would you please sign my autograph notebook? Hillary has!" he says. He searches for a clean page.

"Why not buy one of my books and I'll sign it instead?" I suggest.

"I don't have that kind of money!" he says, flitting away.

Nacogdoches, Texas: Nine in the morning, and the two dozen writing students at Stephen F. Austin State University sit slack-jawed through the funniest part of the book. Questions follow. "How do you submit to magazines?" a student asks. Doesn't she know about envelopes? Stamps?

"You just have to keep trying and trying," I answer.

"Thank you," she says, nodding vigorously.

San Francisco: First radio interview goes smoothly, but I need a taxi to get back to the city center. Someone calls one and tells me to wait in front of a school. Classes have ended and unsavory teenagers flow around me. No cab. Other teenagers drive past slowly, sunshades low.

Is a novel worth dying for in a drive-by shooting? Weeks pass, then the cab comes. The driver says: "What the hell are you doing here? Don't you know you could get killed?"

Portland, Oregon: The friendliest person in this rainy citadel is Natasha, the taxi driver, who warns me as we arrive at my reading venue: "Don't wait outside after. I'll be back in a half-hour and honk."

It's going to be a thin night; the novelist Jim Harrison is reading in town, too. I ask the elderly gentleman near my book-signing table, "Care to hear some of my book?" He looks up, suddenly aware that he's about to be part of the show, and says, "Not particularly."

Seattle: Here, bless them, two women and a man show up. The man says, "I hope this won't take long — I have theater tickets!"

Berkeley, California: A crazy takes a front-row seat, declaring, "Now you've got an audience!" He has brought along large photography books and begins riffling the pages. I'm tempted to open, "Hello, my name is Howard Stern," but doubt even this cheap trick would rouse the dead shoppers.

After I read, the organizer hands me a book bag printed with Oscar Wilde's mug and beams that she is headed for Hollywood to write movies.

I see a smokeless place full of light and money. She's going the right way.

International Herald Tribune.

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Financing for the Future

Istanbul, September 30 & October 1, 1997

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Mobutu, Return Set, Asks for Truce

Paris Wants French to Leave Zaire and Puts Troops Nearby

Compiled by Our Staff From Dispatches

ROQUEBRUNE-CAP-MARTIN, France — President Mobutu Sese Seko of Zaire called Thursday for a cease-fire in his homeland and invited the Zairian people to freely choose their representatives, French media reports said.

In a statement issued from his French Riviera villa, Marshal Mobutu also called for the creation of a "national council" in his country, said the reports on state-run France Info radio and LCI television.

Marshal Mobutu is to return to Zaire on Friday. He had been in Monaco for treatment of prostate cancer.

His son Nzanga Mobutu said he was going home to "resolve the crisis" in his country.

Earlier Thursday, France urged its citizens on Thursday to leave Zaire and sent extra troops and planes to neighboring states in the event it has to protect them.

"Given the situation, and in order to ensure the safety of our citizens if necessary, the Ministry of Defense has decided to send extra resources to Libreville and Brazzaville," a Defense Ministry spokesman, Pierre Servent, said at a briefing, referring to the capitals of Gabon and Congo.

France also renewed its call for a cease-fire and a negotiated settlement for the rebellion, which is gaining ground rapidly from the east of the sprawling central African country.

It made no mention of Marshal Mobutu, a longtime French protégé. "We remain convinced that the Zairian crisis can only be solved by associating all political forces in a consensual electoral process," said the French Foreign Ministry spokesman, Jacques Rummelhardt.

But in an acknowledgment that such a settlement appears remote, he advised French nationals to leave Zaire.

"The French authorities recommend that citizens whose presence is not essential leave the country temporarily," he said. "This precaution applies particularly to families."

Rebels led by Laurent Kabila have captured more than one-fifth of Zaire, including its third-biggest city, Kisangani.

The rebel advance has provoked fears of violence or a coup in Kinshasa to overthrow Marshal Mobutu.

Defense Ministry officials said Thursday that three transport planes — two C-160 Transals and a C-130 Hercules — and two Puma helicopters were flown to Libreville during the night with 40 soldiers. They join the 600 troops France keeps based in Gabon.

Sixty more soldiers will go to Brazzaville, across the Zaire River from Kinshasa, they said.

Mr. Rummelhardt said there were about 1,500 French citizens in Zaire, more than 900 of them in Kinshasa.

The status of Zaire's prime minister, who wields great power despite the primacy of the president, remained confused. Parliament voted Tuesday to dismiss Leon Kengo wa Dondo, but the government said he still held office.

Fearing a coup, foreigners and wealthy Zairians have been fleeing Kinshasa. Brazzaville police said Marshal Mobutu's son Mobutu Kongulu Ndolo, an army general and businessman, was one of those fleeing. *(AP, Reuters)*

Intruder Finds Classy B&B In Moscow

By Lee Hockstader
Washington Post Service

A Russian man in military fatigues entered the U.S. Embassy compound in Moscow this month and broke into the home of the top-ranking American diplomat in Russia, where he spent the night. He was discovered the next morning naked in the shower, according to embassy sources.

The man identified himself to embassy security personnel as an army deserter. After a brief interrogation, he was turned over to Russian authorities.

The incident prompted an intensive security review at the compound, the sources said. Various Russian security services, including the successor agency to the KGB, denied knowing anything about the intruder.

The incident, which took place over the weekend of March 8-9, is the talk of the American diplomatic community in Moscow and a source of intense embarrassment for the security staff.

Sources say there is no indication the intruder gained access to the chancery building, where diplomatic business is conducted, nor is there any known evidence to suggest the man was spying.

But it is a source of some mystification that of the 120 residential units in the compound, the man chose to enter Townhouse One, home of the chargé d'affaires, John Tefft, and his wife, Mariella. Mr. Tefft is in effect the acting ambassador because no one has yet been named to succeed the previous ambassador, Thomas Pickering.

Beyond a terse official statement, no one would speak about the episode in an official capacity. But according to rumors among diplomats and their families, the intruder was discovered by Mrs. Tefft, who either heard or saw him showering in the family bathroom. He also was said to have helped himself to food in the refrigerator at some point.

Chelsea and Hillary Clinton visiting Nelson Mandela in Cape Town on Thursday.

First Lady Lauds New South Africa

The Associated Press

CAPE TOWN — South Africa's smooth transition from apartheid is "a touchstone of democracy and freedom" and a model for the entire continent, Hillary Rodham Clinton said Thursday.

Addressing students and faculty at the University of Cape Town, the first lady said Americans were inspired by the way South Africa has discarded racial separation, empowered its black majority and installed its first black president, Nelson Mandela, in less than a decade.

"My heart is stirred anew by the patience and perseverance with which South Africans are working to build a strong and lasting democracy," she said.

Other nations are following the example, she said, citing Uganda, embroiled in civil war a decade ago, and Eritrea, a new democratic nation sprung from Ethiopia.

Mrs. Clinton met with members of the Truth and Reconciliation Commission, a panel chaired by former Archbishop Desmond Tutu that is investigating apartheid-era political crimes.

Afterward, Mrs. Clinton paid a courtesy call to Mr. Mandela at his home before going with him to tour Robben Island, the prison where Mr. Mandela was confined for 27 years. She was scheduled to attend an evening benefit there for the families of the victims of apartheid.

BRIEFLY

Food Shipment Reaches Iraq

BAGHDAD — The first food bought with Iraqi oil under a deal with the United Nations arrived in northern Iraq from Turkey on Thursday, three months after Baghdad resumed oil exports, UN officials said.

Trucks carrying chick peas, beans and vegetable oil crossed the border in the first delivery since the oil-for-food deal went into force on Dec. 10, the officials said.

Under the terms of the deal, the first easing of crippling UN sanctions imposed on Baghdad after its invasion of Kuwait in 1990, Iraq is allowed to sell $2 billion of oil every six months. The revenues must be used to buy food and medicines in deals approved by the United Nations, as well as to defray UN costs and pay compensation to victims of the Iraqi invasion. *(AFP)*

Castro Would Take Peru Rebels

LIMA — President Fidel Castro of Cuba has formally agreed to give sanctuary for three months to Marxist rebels holding 72 hostages at the Japanese ambassador's residence in Lima, Prime Minister Ryutaro Hashimoto of Japan said Thursday.

Mr. Hashimoto made his comments in Tokyo after a Japanese envoy delivered the prime minister's personal appeal to Mr. Castro in Havana, asking for asylum for the Tupac Amaru Revolutionary Movement rebels on humanitarian grounds. "I hope this will accelerate moves to seek an early solution," Mr. Hashimoto said.

But the rebels have given no indication that they will accept asylum or end their siege with anything less than the release of their imprisoned comrades. *(Reuters)*

Army Offensive in Algeria

PARIS — Algerian security forces opened an offensive south of Algiers and other operations in the capital after Islamic fundamentalist rebels posted warnings of a new bombing campaign, residents said Thursday.

"It's a big operation near Blida," one resident said by telephone from Algiers. "We could hear the sound of heavy gunfire from here yesterday afternoon." There was no official word on the security activities.

Blida, 50 kilometers (30 miles) south of Algiers, is the headquarters of the military region and a known bastion of Islamic fundamentalists.

Residents of Algiers said the country's most ruthless rebel movement, the Armed Islamic Group, posted tracts this week on walls in the Casbah, the old heart of Algiers, saying they would resume bomb attacks in the city and other areas. Algerian newspapers reported Tuesday that a series of bombings that day killed at least 18 people and wounded scores. *(Reuters)*

Bermuda Leader Falls Victim to a Fast-Food Flap

Compiled by Our Staff From Dispatches

HAMILTON, Bermuda — Prime Minister David Saul, plagued by his decision to allow a former prime minister to operate McDonald's fast-food restaurants in the British colony, has announced his resignation.

"My retirement from politics ought not to come as any great surprise to those who have studied my career," Mr. Saul said at a news conference Wednesday.

Prime minister since August 1995, Mr. Saul said he would leave office March 27, but gave no specific reason for his decision. Political observers said he would have had difficulty leading his governing United Bermuda Party to victory in the next election, due by October 1998.

The party was split by decision in December 1995 to give permission to a former prime minister, Sir John Swan, to operate McDonald's franchises in the colony. Bermuda residents have long fought attempts to open fast-food restaurants on the island.

Strong opposition by rebel members of Mr. Saul's party pushed through the House of Assembly a bill called the "Prohibited Restaurant Bill," banning McDonald's and other fast-food outlets from the island. The bill was rejected by the Senate, but is now making its way through House a second time.

Mr. Saul, 57, said he had achieved the objectives he set when he became prime minister. He also resigned his seat in the House of Assembly. "I hope it will be said I went out on a high note," he told legislators.

The party has a week to vote on a new leader to become prime minister. *(Reuters, AP)*

SUMMIT: *Doubtful on Compromise, Clinton and Yeltsin Begin Meeting in Helsinki*

Continued from Page 1

Russia and the United States was likely to develop.

At the heart of the discussions is the proposed charter between NATO and Russia that the United States sees as a means for making the alliance's expansion more palatable to Moscow without offering anything like a veto right.

General in character as opposed to legally binding, the charter, as conceived by the United States, would state that NATO has no intention to station nuclear weapons in new member states or to position alliance troops in significant numbers in these countries. But there would be no renunciation of this possibility forever, as the Russians wish.

U.S. officials have said there is considerable work to be done, particularly in the area of specific military issues, before the charter can be completed. It is NATO's intent to have it accepted by Russia in time for the alliance meeting in July at which Poland, Hungary and the Czech Republic are expected to petition for membership.

Russia is thought likely to hold out for the best possible deal as long as possible. The meeting here would allow both Mr. Clinton and Mr. Yeltsin to mark the parameters of their flexibility on the charter. Both sides were particularly blunt in their public statements on possible movement in the runup to the summit, with Mr. Yeltsin saying, "To concede further is no longer possible."

In response, Secretary of State Madeleine Albright said that Mr. Clinton "will be clear about the lines we will not cross and barriers we will not build."

"NATO enlargement will remain on track," she said. "New allies will enjoy the full benefits and assume full responsibilities of membership. The first new members will not be the last. And we will exclude no European democracy from future consideration."

NATO is insisting, against Russian opposition, that it can modernize equipment and installations such as landing fields with new member states while reserving the right to dispatch troop reinforcements to them if necessary.

What is not clear is how much Russia's entry into a consultative mechanism with NATO could affect the alliance's prerogatives either within or outside its area of operations.

Critics have described the charter as a potential watering-down of the alliance, particularly if it is combined with complete Russian entry into the Group of Seven leading industrial countries or the World Trade Organization before Russia completes its democratization and economic reform.

Two arms reduction issues are also on the agenda.

Mr. Clinton will be pressing for the Russian Parliament to ratify the START-2 agreement, signed in 1993, which would cut long-range missiles in both Russia and the United States to about a third of their number about a decade ago. Opponents of the treaty in Russia say that accepting it now would be to their country's great disadvantage.

The conversations are also to touch on conventional forces in Europe. The alliance is proposing reforms that it says would balance the affects of the disappearance of the Warsaw Pact and soothe Russia's irritation about the new NATO members.

TOBACCO: *A Cigarette-Maker Settles*

Continued from Page 1

tobacco industry. The documents include conversations among industry lawyers, and Philip Morris, R.J. Reynolds, Lorillard and Brown & Williamson contend they are privileged attorney-client communications.

Philip Morris announced no details but said a state court in Winston-Salem, North Carolina, issued the restraining order on behalf of the four firms.

"Of course the tobacco companies should be worried," Mr. Harshbarger said. "They should be worried every time somebody who's been working for them starts to turn state's evidence."

Appearing together on Thursday morning, the attorneys general said that the deal was in final negotiations. Anticipation of a possible settlement sent most tobacco stocks plunging.

Under the agreement, Liggett promised to turn over thousands of potentially damaging documents to the states and assist in interpreting them in their lawsuits, Mr. Harshbarger's office said.

It also said Liggett would drop all confidentiality agreements so its employees can serve as witnesses against fellow tobacco suppliers. It is the turnover of the documents that Philip Morris and the others targeted in their court action.

The agreement will encompass the 22 states whose attorneys general have sued the tobacco industry seeking to recover Medicaid funds spent treating sick smokers. They are Mississippi, Minnesota, West Virginia, Florida, Massachusetts, Louisiana, Texas, Maryland, Washington, Connecticut, Kansas, Arizona, Michigan, Oklahoma, New Jersey, Iowa, Illinois, New York, Utah, Wisconsin, Hawaii and Indiana.

"Our states will now have the opportunity to go into court armed with the testimony of industry insiders and documented evidence about what big tobacco knew and when they knew it," Mr. Harshbarger said.

Liggett broke with the industry in March 1996 when it settled with five states, including Massachusetts, seeking to recover the public health-care costs of treating sick smokers. Liggett also settled a federal class-action lawsuit filed by smokers.

The settlement would be the harshest blow yet to the cigarette industry, which is still suffering from two recent court decisions.

On Monday, the U.S. Supreme Court refused to hear a challenge by Philip Morris Cos. to a Florida law that makes it easier for the state attorney general to recover health-care costs. Last Thursday, the Mississippi Supreme Court ruled that the first suit brought by an attorney general against the industry to recoup health care costs could go to trial in June. *(Reuters, AP, Bloomberg)*

THAILAND: *An Army of the Poor Marches to the Forefront and Demands to Be Heard*

Continued from Page 1

ecutive of an Asian company. "It was only a matter of time before the bubble burst."

Analysts say that the real estate frenzy was a symptom of badly skewed development priorities.

Government in Thailand is "seen by many as the benevolent patron of the rich," said Wasant Techawongtham, deputy news editor for environment and urban affairs at the Bangkok Post newspaper. "Somehow, real estate developers have been allowed to set the pace and direction of development with virtually no interference by the city or central government."

As a result, Bangkok's inadequate roads have become clogged with traffic, while air, water and noise pollution endanger public health and make living in the city a nightmare for many of its inhabitants, especially if they are poor.

Mechai Viravaidya, who heads a private group that organizes programs to alleviate rural poverty, said there was an urgent need to raise living standards in the countryside so that the poor do not keep flooding into Bangkok and other cities in search of jobs and some of those already there can be persuaded to return home.

"We can reverse the flow by taking jobs to the people where they need them, rather than drawing people to where the employment is now, mainly in urban areas," he said.

Economists say that the rich-poor, urban-rural divide could lead to serious social unrest in Thailand. Average annual income in parts of northeastern Thailand is less than $700, while in Bangkok, only a few hundred kilometers away, it is $7,000. Twenty years ago, the richest 20 percent of the population earned just under half of the national income; today they earn 63 percent. The share of the poorest fifth of the population dropped from 6 percent to 3.4 percent.

Foreign bankers, businessmen and investors worry that the scale of bad property loans in Bangkok may turn out to be much larger than has been publicly disclosed, overwhelming the remedial measures taken by the government.

Meanwhile, Thailand's economic growth — which averaged more than 8.2 percent in the decade to 1994, fastest in the world — is slowing sharply. Many economists expect growth to dip to 4 percent or 5 percent this year and next, although that is still a respectable rate by international standards.

But Thailand's prospects are clouded by other major problems, and public confidence in the government's ability to set things right has been seriously eroded. Among the problems are rampant official corruption, public disillusionment with government and inadequate public funding to improve education, training and urban infrastructure.

Earlier this month, a cabinet minister accused the customs department of extorting money from companies and individuals trying to conduct normal business — but added that ending such abuses would be difficult because they were deeply entrenched.

"Frequent government changes over the past six years have damaged the economy," according a recent report on Thailand by Political & Economic Risk Consultancy Ltd. of Hong Kong. "There have been seven governments in that period, and the lack of continuity has impeded reform of the bureaucracy and increased the powers of many senior men in the civil service."

At the same time, Western diplomats say, many of the best-trained civil servants have resigned, discouraged by the waning prestige of government and lured by better pay and benefits in the private sector.

Thaksin Shinawatra, a former deputy prime minister who resigned in August and then refused to run in the parliamentary elections in November that brought the present six-party coalition government to power, said Thailand's political system was the "root cause" of many of the country's problems.

Businessmen and party leaders, he said, spent huge sums buying votes during election campaigns, especially in rural areas.

"Since these coalition governments don't last long, ministers try to make as much money as quickly as they can," Mr. Thaksin said. "This system does not benefit the country, only a few individuals."

In an attempt to end such abuses and improve Thai-style democracy, a constitution-drafting body has been set up to report to Parliament by Aug. 11. But public interest in its work has been disappointing for those who hope to see effective change.

"A lot is at stake — the very political future of Thailand — in the drafting of this new constitution," the Bangkok Post said in an editorial. "By not attending public hearings, by being apathetic, we send the misleading message to politicians that they can do whatever they like."

JETS: *Delta-Boeing Deal*

Continued from Page 1

decade with the 360-seat Boeing 777 twin-jet and the smaller 767. But most of the orders are for Boeing's smaller 737 range, which will replace its fleets of single-aisle planes from Boeing and McDonnell Douglas Corp. Boeing was the front-runner to supply Delta because the carrier already has hundreds of Boeing aircraft in its fleet.

Boeing's chairman, Phil Condit, told reporters in Paris on Friday that American Airlines also had agreed to buy aircraft from Boeing exclusively for the next 20 years, and he predicted that such deals would become more common in the future because it gave airlines "the ability to change airplanes and change sizes and models on a fairly short-term basis so that they could adapt to the market as it moved."

But some airlines prefer to place orders in both camps, seeing this as a more flexible and competitive solution. United Airlines, the biggest carrier in the United States, has 27 Airbus planes in its fleet and 23 on order.

In their global market forecasts released this month, both Airbus and Boeing predicted very large demand well into the next century. As Airbus strives to become increasingly an American as well as a European company, Boeing, Mr. Condit said, is moving away from its roots in Seattle to becoming a global player. So interlocked has the industry become, he said, that Boeing supplies some Airbus parts from a plant in Australia, while it buys parts from Airbus partners.

swissair
world's most refreshing airline.

International Herald Tribune
BUSINESS/FINANCE
FRIDAY, MARCH 21, 1997

swissair
world's most refreshing airline.

Seoul's Central Bank Set to Ride to Rescue

It Vows Aid for Big Loser in Steel Failures

Compiled by Our Staff From Dispatches

SEOUL — The South Korean central bank pledged Thursday to support one of the country's biggest banks as the collapse of a leading steel company threatened to cripple the industry with mounting bad loans.

The Bank of Korea said it would buy as much as 1 trillion won ($1.14 billion) of bonds from Korea First Bank, which has been hobbled by a string of bad loans, bribery scandals and, now, the failure of Sammi Group.

"We can consider financial aid to Korea First Bank if it asks for it," said Kim Sung Man, an official at the central bank.

The collapse of Sammi, whose main business is forging steel, shows how rising debts and a slowing economy are crippling some of South Korea's biggest companies and banks. Its failure, less than two months after the collapse of another steel company, the Hanbo Group, may trigger a wave of bankruptcies among small subcontractors and leave lenders in the lurch.

Stocks tumbled after the market opened Thursday on fears the Sammi failure could have a knock-on effect on other struggling companies by further raising borrowing costs and making banks more cautious about lending.

Shares in Korea First tumbled 4 percent, to 2,850 won, in Seoul trading. The benchmark stock index fell 2 percent to a two-month low.

"The Sammi default has shocked investors," said Hong Jong-hyun, a broker at Coryo Securities.

Korea First's plight symbolizes deep-rooted problems at the nation's banks, where commercial lending criteria matter less than political favors or a fat bribe. A combination of weak management, shrinking stock investments and loan shocks has left banks gasping for capital just as their borrowing costs surge.

"I sold my banking and brokerage shares. Banks are in worse shape than the bankrupt Sammi," said Ki Won Chang, a fund manager at Korea Investment Trust Co..

A South Korean lawmaker called for an investigation into the collapse, saying Sammi may have exerted political pressure to secure bank loans. Sammi executives denied the charge.

Korea First is already at the center of the biggest financial scandal in years. Ten people are being tried for corruption charges connected to Hanbo, which collapsed under $6 billion of debt. Korea First, Hanbo's prime creditor, and others lent money to the steel company after taking bribes from Hanbo's founder, Chung Tai Soo, prosecutors contend.

Sammi's collapse will add to Korea First Bank's bad loans, now estimated at $610 million. The Seoul-based bank lent 430 billion won to Sammi.

The European rating agency IBCA said Wednesday that it had downgraded the individual ratings of Korea First Bank, Cho Hung Bank and Korea Exchange Bank. *(Bloomberg, Reuters)*

Reuters

BANESTO CHIEF GUILTY — Mario Conde, former head of the Spanish private bank Banesto, who was convicted Thursday in Madrid and sentenced to six years in prison for embezzlement and forgery.

Embattled Renault Discloses Huge Loss

French Minister Hints Company May Be Forced to Seek Merger

By Barry James
International Herald Tribune

PARIS — As hundreds of autoworkers clashed with French riot police to protest the closure of a Renault car plant in Belgium, the French automaker said Thursday that it had posted a 5.25 billion franc ($924.4 million) loss for 1996.

"We were expecting a market recovery in Europe and it broke down," explained the Renault chairman, Louis Schweitzer.

The results came as France's labor minister hinted that the company may have to consider a merger. The minister, Frank Borotra, told the Senate that Renault needed an industrial strategy and must "work with other industrial partners."

Renault's loss was roughly in line with expectations, and included charges of 2.8 billion francs for closing its plant at Vilvoorde near Brussels, 400 million francs for eliminating the 3,100 jobs there and 940 million francs for cutting 2,700 jobs at plants in France.

Meanwhile, hundreds of Renault workers from Belgium clashed with riot squads Thursday outside a compound at Wavrin in northern France where thousands of automobiles from several manufacturers, including Renault, are stored. They vowed to stay and prevent Renault from supplying its dealers.

Workers again demonstrated outside the company's headquarters at Boulogne-Billancourt, just outside Paris, and one group tried to enter the Renault showroom on the Champs-Elysees in Paris, but the police turned them back.

Renault, Europe's sixth-largest auto manufacturer, had an operating income of nearly 8 billion francs when Mr. Schweitzer took over in 1992 and has not posted a loss in the past decade. The partly privatized group — the French government owns 46 percent — had more than 184 billion francs in sales last year, an 0.11 percent decline from 1995, but competition in Europe's glutted markets ripped into its profit margins.

Mr. Schweitzer told union delegates on Wednesday that his decision to close the modern plant at Vilvoorde was "irrevocable."

The company plans to concentrate production at fewer plants, reduce the production costs of each car by 3,000 francs and cut the assembly time for each automobile to an average of 15 hours from 21. He said he hoped to return the company to operating profitability this year.

Mr. Schweitzer's refusal to reconsider the end of July closure of the Vilvoorde plant, or to institute a 10 percent reduction in working hours across the company as workers' delegates asked, pointed him increasingly on a collision course with the unions, with the Belgian government and with the European Commission.

A Belgian labor leader warned after Mr. Schweitzer's fruitless meeting with union representatives in Beauvais, France, on Wednesday, that his stand meant that the debate would be continued on the streets.

In another development, state-owned Credit Lyonnais, France's biggest financial disaster of the decade, improved its position from roughly break-even in 1995 to a 202 million franc net consolidated profit in 1996.

■ Blanc Threatens to Resign

The Groupe Air France SA chairman, Christian Blanc, said he would rather resign than withdraw his plans to implement a two-tier salary structure for pilots, AFX reported Thursday from Paris.

Air France pilots have called a four-day strike starting Sunday against the plan. The pilots union is to meet Friday to decide whether to go ahead with the action.

"There is no room for maneuver on this decision," Mr. Blanc told journalists.

"Knowing what the consequences of withdrawing this measure would be for the future of Air France, I would no longer hold the management of the company if the pilots continue to reject the measure."

U.S. Growth Outlook Dims as Trade Deficit Widens

By Mitchell Martin
International Herald Tribune

NEW YORK — An unexpected jump in the January trade deficit announced Thursday had economists revising their U.S. growth forecasts downward, but financial markets largely shrugged off that potentially bad news along with a new indication that higher short-term interest rates are on the way.

The government said the January trade deficit was $12.7 billion, widened from $10.5 billion in December. A January number roughly in line with the previous month had been widely expected.

Ken Mayland, chief economist of KeyCorp., a Cleveland-based banking company, noted a widening of the trade gap with China, which grew to $3.7 billion in January from $2.6 billion in December.

"Economic growth — particularly in the area of consumer goods — has been especially strong in the U.S.," he said. With Asian growth rates slowing, he added, "much of the deterioration in the trade deficit can be traced to Pacific Rim countries other than Japan."

About a third of the rise in merchandise imports was in crude oil, Merrill Lynch & Co. said, adding that this was not expected to persist. Meanwhile, the volatile category of aircraft exports fell sharply. The firm predicted that in light of the numbers, first-quarter U.S. economic growth would be about 2.5 percent at an annual rate, which was "around the supposed noninflationary trend rate of growth."

Mr. Mayland said the trade data were not worrisome from an inflation standpoint. "Yes, the consumer demands are strong," he said. "We see that from the retail sales figures." But he said that because much of the demand was being met by overseas producers, many of them with weak domestic economies, the buying was not straining U.S. manufacturing capacity.

Alan Greenspan, the chairman of the

See ECONOMY, Page 14

Thinking Ahead /Commentary

It Would Be Risky to Delay the Euro

By Reginald Dale
International Herald Tribune

WASHINGTON — Nobody ever said that merging francs, Deutsche marks and lire into a single European currency would be easy. Yet each time the going gets tough, calls are heard for a delay. Procrastinators are now arguing that slow growth and high unemployment in Germany mean that the Jan. 1, 1999, target date for the euro's introduction may have to be set back. But much less attention is being paid to the economic, financial and political upheavals that a delay would cause.

Preparations for the euro are now so advanced that, in the words of one analyst, postponement would be like pulling the emergency brake on a speeding train. It would make sense only if monetary union were clearly heading toward a major crash.

Of course there would be a problem if, as many predict, Germany failed to keep this year's budget deficit below 3 percent of gross domestic product — the most important criterion for joining the euro.

The problem, however, would be as much political as economic. A marginal deficit overshoot would not mark the sudden end of Germany's long run as a generally well-disciplined, strong-currency country.

But Bonn would have a hard time excluding traditionally less disciplined countries such as Italy, Spain and Portugal, whose participation might make the currency too weak and unstable to be politically acceptable to German public opinion.

There is wide agreement that an extended delay would put grave strains on Europe's economic and political cohesion, threaten its single market and probably derail economic and monetary union for the foreseeable future.

But some say the European Union could get away with a short delay — by "stopping the clock" for as much as a year, for instance, to allow Germany and perhaps France to meet the budgetary requirements — provided financial markets saw the delay as technical and temporary.

Nevertheless, any delay would carry a risk. One immediate result would almost certainly be a surge in the Deutsche mark's value that would threaten Germany's economic recovery, and its chances of reducing unemployment, by penalizing exports. That might hasten the political demise of Chancellor Helmut Kohl, the leader most needed to keep the single currency on track.

There is never going to be an ideal moment to introduce a single currency.

The Latin countries could expect to see their interest rates soar as their currencies fell, making it even more difficult for them to meet the single-currency requirements and heightening the risk of recession.

Big corporations and banks, which have already made enormous investments to prepare for the euro, would be badly hit, and any new date for its start would be regarded with great skepticism by financial markets. Governments would probably feel less pressure to maintain sound but unpopular fiscal policies, open up their labor markets and generally become more competitive. Much of that pressure is now coming from a combination of the increasing impact of the EU's single market and the imminence of the euro's arrival.

There is never going to be an ideal moment to introduce a single currency. Another reason for going ahead now is that the healthy U.S. economy and the stronger dollar should help Europe's economic prospects in the coming months.

Mr. Kohl's best bet is to try to start on time with a hard core composed of Austria, the Benelux countries, France and Germany — and perhaps Ireland and Finland. That means making a supreme effort to fulfill the criteria.

Italy, Spain and Portugal would be promised entry some time later — still technically as founder members — provided they met the conditions. It is in their interest, too, to have a stable euro. Delaying it will not make Europe's economic problems any easier to solve.

Cracked: Cell Phones' Security Code

By John Markoff
New York Times Service

SAN FRANCISCO — A team of well-known computer-security experts said Thursday that they had cracked a key part of the electronic code intended to protect the privacy of calls made with the new digital generation of American cellular telephones.

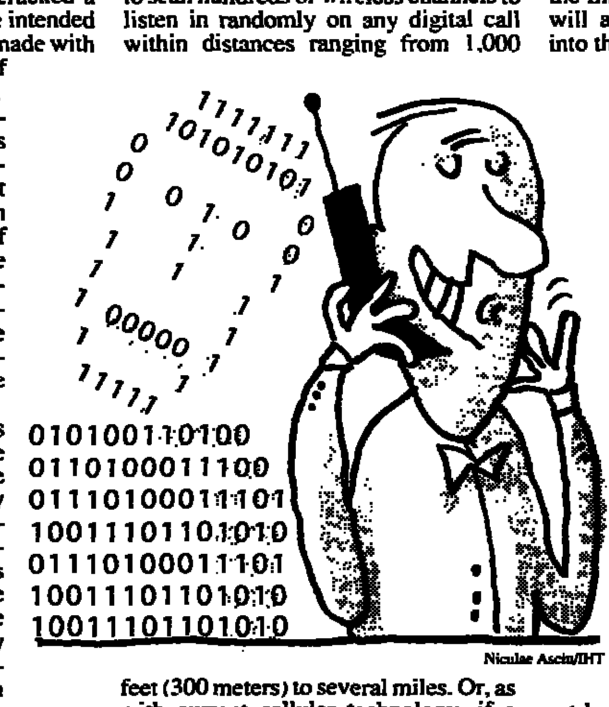
The announcement, intended as a public warning, means that the new U.S. cellular telephones, which transmit streams of digital information in a code similar to that of computer data, may not be much more secure from eavesdropping than the analog cellular phones, which send voice as electronic patterns mimicking sound waves, that have been in use for 15 years.

Now that digital wireless networks are coming into use around the United States, the breaking of the digital code by the team of two computer security consultants and a university researcher confirms fears about privacy that were raised five years ago when the communications industry agreed under government pressure to adopt a watered-down privacy technology.

The announcement does not affect the international digital cellular system used widely outside the United States, known as GSM, which has tougher security.

According to several telecommunications-industry officials, that pressure came from the U.S. National Security Agency, which feared that a stronger encryption technology might allow criminals or terrorists to conspire easily via cellular phones. But independent security experts now say that the code is easy enough to crack that anyone with sufficient technical skills and a desktop computer could make and sell a monitoring device that would be as easy to use as a police scanner.

Such a device would enable a listener to scan hundreds of wireless channels to listen in randomly on any digital call within distances ranging from 1,000 feet (300 meters) to several miles. Or, as with current cellular technology, if a person were the target of an eavesdropper, the device could be programmed to listen for any nearby digital call to that person's telephone number.



Niculae Asciu/IHT

Other possible transgressions would include using the device to automatically "harvest" all calling-card or credit-card data transmitted on nearby digital wireless phones.

Because of a loophole in the Communications Act of 1934, making and selling such devices would not be illegal in the United States, even though using one would technically be against the law. These monitoring devices are not yet available, but security experts said a thriving gray market was certain to develop; and with technical details of the security system already circulating on the Internet, instructions for cracking it will almost certainly make their way into the computer underground.

[Bruce Schneier, one of the security experts who cracked the code, told The Washington Post that the group had broken one of three encryption systems used in the new generation of digital cellular phones: the scrambler that keeps eavesdroppers from being able to hear the signals sent from a telephone to the network, which is important for concealing any message punched into the telephone's keypad. This includes access codes for using long-distance cards or entering credit-card numbers and voice-mail codes, among other applications.

[One of the systems, which scrambles the voice signal, was broken in the early 1990s. The other cryptographic code cloaks the telephone's identifying system and prevents cellular-telephone fraud. Mr. Schneier said his group had not broken that system yet, but added, "We're working on it."]

Technical details of the security system were supposed to be a closely guarded secret, known only to a small circle of engineers.

But the researchers performed their work based on technical documents that were leaked from within the communications industry and disseminated over the Internet last year.

"The industry design process is at fault," said David Wagner, a University

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Beijing's Trade Offer Disappoints EU

Agence France-Presse

BEIJING — European Union negotiators said Thursday they were disappointed with offers made by China in its bid to join the World Trade Organization.

"The Chinese offer at this stage was below what we would call WTO standard, if there is such a thing," the EU team leader, Gerard Depayre, said.

It was "certainly not commensurate with the weight of China in the world economy, not commensurate with economic realities in China," he said.

Although he said four days of discussions between China and the EU had yielded no immediate results, he still described the talks as constructive.

Europe and the United States expect China to offer several concrete actions or pledges of market access in exchange for WTO membership.

But what China presented at this week's meetings — which covered the service sector only — was largely "a photograph of the current regime" that did not even include progressive initiatives already undertaken by some local governments, Mr. Depayre said.

"In practically all these sectors, we were told China had already considerably opened up and that there was intention to continue to do so," he said.

He emphasized, however, that the Chinese representatives were receptive to a wide-ranging EU input on what would be implied by WTO membership and said Beijing's offer had been an improvement on its last one, presented in November.

"We have a clear commitment that they are going to reflect on all these issues," said Mr. Depayre, who is the EU's deputy director-general for external relations.

He said the true result of the discussions would be seen when China made its next offer, likely to be discussed at a WTO working-party meeting at the end of May.

"We did not expect a miracle from this meeting," he said.

The talks, which included top officials from several Chinese ministries, focused on the need for improved access to the Chinese market for various service industries.

Access to that huge market is of "extreme importance" to the European service industry, Mr. Depayre said.

CURRENCY & INTEREST RATES

Cross Rates

March 20

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.90	3.0265	1.126	0.3337	0.1123*	—	5.457*	1.3136	1.5387*	1.379	1.3265*
Brussels	34.7225	55.10	20.6375	6.1165	2.0575*	18.3315	—	24.3375	0.2818	25.19	24.2925*
Frankfurt	1.6874	2.6895	—	0.2964	0.0995*	0.8888	4.8463*	1.1783	13.854*	1.2169	1.177*
London (a)	1.5942	—	2.6889	9.071	2,695.31	3.0268	55.4503	2.3057	196.7887	2.1973	228.289
Madrid	142.30	227.367	84.935	25.17	8.461*	75.435	4.1163	99.1164	116.021*	103.498	—
Milan	1,684.00	2,681.75	1,004.58	297.70	—	890.99	48.612	1,174.65	13.73	1,224.80	11.832
New York (b)	—	1.5935a	1.6875	5.7145	1,693.80	1.9055	34.91	1.4535	122.755	1.3797	142.345
Paris	5.6536	9.0335	3.3745	—	0.3362*	2.9971	0.1635	3.9390	4.6086*	4.112	3.9725*
Tokyo					Closed						
Toronto	1.3792	2.1987	0.8157	0.2416	0.0815*	0.7239	0.3948*	0.95	1.1146*	—	0.961*
Zurich	1.4500	2.3135	0.8586	0.2544	0.0858*	0.7618	4.1609*	—	1.1730*	1.0525	1.0107*
1 ECU	1.1609	0.7266	1.945	6.5637	1,952.52	2.1989	40.1352	1.666	142.395	1.5962	165.22
1 SDR	1.3786	0.8641	2.3201	7.3893	2,320.87	2.6119	47.859	1.9930	169.144	1.9003	196.839

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4p.m. and Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	264.53	Mex. peso	7.931	S. Afr. rand	4.433
Australian $	1.269	Hong Kong $	7.7465	N. Zealand $	1.4455	S. Kor. won	884.00
Austrian sch.	11.787	Hung. forint	176.03	Norw. krone	6.7445	Swed. krona	7.6171
Brazil real	1.0615	Indian rupee	35.89	Phil. peso	26.33	Taiwan $	27.52
Chinese yuan	8.3259	Indo. rupiah	2405.50	Polish zloty	3.07	Thai baht	25.94
Czech koruna	29.07	Irish £	0.6369	Port. escudo	168.73	Turkish lira	125080.
Danish krone	6.3925	Israeli shek.	3.3615	Russ ruble	5718.0	UAE dirham	3.6705
Egypt. pound	3.3938	Kuw dinar	0.3012	Saudi riyal	3.75	Venez. boliv.	476.00
Fin. markka	5.0385	Malay. ring.	2.4755	Sing. $	1.4453		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5978	1.5970	1.5962	Japanese yen	121.74	121.23	120.66
Canadian dollar	1.3740	1.3712	1.3684	Swiss franc	1.4274	1.4231	1.4185
Deutsche mark	1.6687	1.6656	1.6620				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

March 20

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 7/16 - 5 9/16	3 1/8 - 3 1/4	1 15/16 - 2	6 1/16 - 6 3/16	3 3/16 - 3 5/16	1/2 - 5/8	4 1/8 - 4 1/4
3-month	5 9/16 - 5 11/16	3 3/16 - 3 5/16	1 11/16 - 1 13/16	6 1/4 - 6 3/8	3 1/4 - 3 3/8	1/2 - 5/8	4 7/16 - 4 9/16
6-month	5 3/4 - 5 7/8	3 1/4 - 3 3/8	1 13/16 - 1 15/16	6 1/2 - 6 5/8	3 5/16 - 3 7/16	9/16 - 11/16	4 9/16 - 4 11/16
1-year	6 1/16 - 6 3/16	3 3/8 - 3 1/2	1 13/16 - 1 15/16	6 7/8 - 7	3 1/2 - 3 5/8	11/16 - 3/4	4 13/16 - 4 15/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/4
Federal funds	5 5/16	5 1/4
90-day CDs dealers	5.56	5.52
180-day CP dealers	5.55	5.47
3 month Treasury bill	5.33	5.29
1-year Treasury bill	5.80	5.76
2-year Treasury bill	6.23	6.19
5-year Treasury note	6.59	6.56
7-year Treasury note	6.65	6.66
10-year Treasury note	6.73	6.74
30-year Treasury bond	6.96	6.98
Merrill Lynch 30-day RA	4.86	4.86
Japan		
Discount rate	0.50	0.50
Call money	Clsd.	0.45
1-month interbank	–	0.63
3-month interbank	–	0.63
6-month interbank	–	0.66
10-year Govt bond	–	2.36
Germany		
Lombard rate	4.50	4.50
Call money	3.12	3.12
1-month interbank	3.28	3.29
3-month interbank	3.28	3.28
6-month interbank	3.32	3.30
10-year Bond	5.96	5.90

Britain		
Bank base rate	6.00	6.00
Call money	6 1/16	6.00
1-month interbank	6 1/8	6 1/16
3-month interbank	6 5/16	6 1/4
6-month interbank	6 9/16	6 1/2
10-year Gilt	7.63	7.58
France		
Intervention rate	3.10	3.10
Call money	3 3/16	3 3/16
1-month interbank	3 1/4	3 1/8
3-month interbank	3 5/16	3 5/16
6-month interbank	3 3/8	3 3/8
10-year OAT	6.26	5.80

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

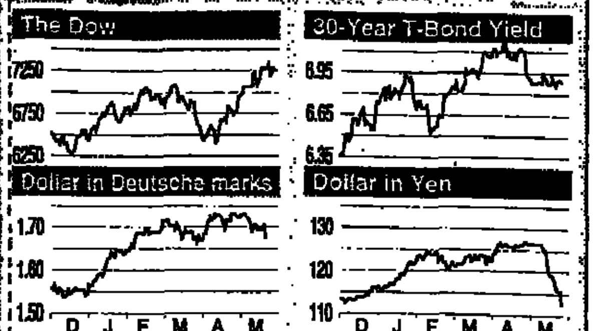
	A.M.	P.M.	Ch'ge
Zurich	352.75	351.75	+2.65
London	352.70	352.00	+2.90
New York	352.90	352.20	–0.70

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (April.)

Source: Reuters.

THE AMERICAS

Investor's America



Exchange	Index	Tuesday @4PM	Prev. Close	% Change
NYSE	The Dow	7303.46	7228.88	+1.03
NYSE	S&P 500	841.66	833.27	+1.01
NYSE	S&P 100	828.32	818.46	+1.20
NYSE	Composite	437.20	434.14	+0.70
U.S.	Nasdaq Composite	1363.88	1341.24	+1.69
AMEX	Market Value	590.76	587.48	+0.56
Toronto	TSE Index	6260.10	6247.68	+0.20
São Paulo	Bovespa	10646.83	10505.68	+1.29
Mexico City	Bolsa	3953.06	3918.48	+0.88
Buenos Aires	Merval	754.61	743.66	+1.56
Santiago	IPSA General	5401.11	5381.25	+0.37
Caracas	Capital General	6564.93	6581.49	+0.51

Source: Bloomberg, Reuters International Herald Tribune

Very briefly:

Chrysler Nearing Cost-Cutting Goal

AUBURN HILLS, Michigan (Bloomberg) — Robert Eaton, Chrysler Corp.'s chairman and chief executive, said Tuesday the automaker would hit its full-year cost-cutting target of $1.2 billion by the end of July and would cut a further $1 billion by early 1998.

"We're going to keep pushing to decrease costs, to decrease our investment and to get more efficient in all areas of the business," Mr. Eaton said in an interview.

He also said the company's car and truck sales this month in the United States were running at "double digits" below year-earlier levels, in percentage terms, partly because of a decline in used-car prices that has attracted some buyers away from new vehicles.

• **Kmart Corp.** is buying products made by China Tiancheng, a company owned by China's Army, a research group headed by the human-rights activist Harry Wu said. Mr. Wu said he had presented evidence at Kmart's annual meeting Tuesday that the retailer purchased items of clothing last year from the company. Mr. Wu's Laogai Research Foundation said it would soon release a list of at least 100 major U.S. retailers that buy products from the 20 companies China's military allegedly owns.

• **Home Depot Inc.**'s first-quarter earnings rose 33 percent and the net income of the chain's 536 home-improvement stores rose to $258.8 million, or 53 cents a share, from $195 million, or 41 cents, a year earlier.

• **Dayton Hudson Corp.** said its first-quarter profit tripled on strong results from its Target discount stores. The Minneapolis-based retailer reported profit from operations rose to $126 million, or 55 cents a share, in the quarter ended May 3, from $42 million, or 17 cents, a year ago.

• **Delgratia Mining Corp.** of Canada said consultants had found "insignificant" amounts of gold in a field near Las Vegas; the company said it had been a victim of tampering and was asking the police to investigate. *Bloomberg, AP*

Microsoft's WebTV Plan Gets Close U.S. Scrutiny

By Steve Lohr
New York Times Service

In a sign of the U.S. government's continuing scrutiny of Microsoft Corp., the Justice Department issued a formal request last week seeking internal documents concerning Microsoft's planned $425 million purchase of WebTV Networks Inc.

The accelerated government review of the WebTV acquisition proposal, legal experts said, could be time-consuming and costly. But they said the stepped-up investigation — signaled by a second request for information — did not necessarily mean the Justice Department would challenge the planned purchase.

Under the merger laws, the government has 30 days to make a second request for information after a company initially files its acquisition plans. The Justice Department's San Francisco office sent its demand for further documents to Microsoft at the end of last week.

"A second request means the government wants to investigate further, to see whether they want to challenge the merger," said Charles F. Rule, a partner at Covington & Burling, a law firm in Washington.

"The process can slow down a transaction, but you can't assume that a second request means the government is going to challenge a deal," said Mr. Rule, a former head of the Justice Department's antitrust division.

Microsoft executives do not view the government's request for information as endangering the WebTV deal yet.

"Once the Department of Justice looks into this more closely, we believe they will come to recognize that this acquisition is in a nascent industry full of competition and potential competition," said William H. Neukom, senior vice president and legal counsel for Microsoft.

WebTV is a start-up producer of set-top boxes that bring the Internet to television sets. With only 56,000 subscribers to its Internet service, WebTV is a tiny company in a fledgling field.

Yet as television steadily embraces the digital technology of personal computers, a major industry is expected to develop in the business of delivering the Internet to living rooms via TV sets and a coming generation of information appliances. That opportunity is what attracted Microsoft to WebTV and brought other major software companies into the infant industry.

Oracle Corp., as expected, announced Monday that it would buy control of Navio Communications Inc., a start-up company that is developing Internet software for consumer electronic devices. Navio was established by Netscape Communications Corp., a leading rival to Microsoft in the Internet software market.

RATE: *Stocks Rally as Fed Makes No Change*

Continued from Page 1

component of balance sheets" after five years of appreciation in the yen minimized the value of overseas holdings. Now, he said, the government found it "politically expedient" to push the dollar down to a range of 110 to 115 yen.

U.S. bond prices rose after the Fed's meeting, but the sharpest gains were in the short-term sector. The yield on the market bellwether, the 30-year Treasury bond, was at 6.89 percent in late trading, down from 6.91 percent Monday.

U.S. STOCKS

Alan Greenspan, the Fed chairman, had been priming Wall Street for rate increases since December, when he said the sharp rally in stock prices, which took the Dow industrials up 26 percent in 1996 and 35 percent in 1995, might reflect "irrational exuberance" on the part of investors.

Although inflation is commonly equated with rises in consumer prices, Mr. Greenspan said that the stock rally could lead to price pressures. His contention was that consumers would feel they were affluent because their investment portfolios were appreciating, and they would be likely to increase their general purchasing levels, putting upward pressure on prices.

In February, Mr. Greenspan went further, saying the Fed might increase interest rates even if there were no visible signs of inflation in the economy. Yet his statements had little long-term effect on stock prices, which continued to rise until March 25, when the Fed committee voted to increase its target for the federal funds rate to 5.50 percent from the previous 5.25 percent.

Although that sent stock prices sharply lower, pushing the Dow below its December levels, the market proved resilient and the blue chips began setting records again last month.

The March rate increase, however, drew protests from U.S. labor and business groups and politicians; 65 members of Congress sent a letter to Mr. Greenspan urging him not to raise rates again.

Some economists have said the American economy is able to grow at rates that in the past have caused inflation because of increased productivity that has not been captured in official statistics. Mr. Greenspan has admitted that productivity could be growing faster than has been measured, largely as a result of technological advances.

Mr. Munro said, however, that the Fed was unlikely to be abandoning its cautious stance on inflation. Now investors will have to wait six more weeks, he said, to see what the central bank will do at its next meeting July 1 and 2. Under Mr. Greenspan, the Fed has made policy adjustments in a series of small moves over several months. Mr. Munro said it was possible, if unlikely, that the Fed would alter its fed funds target before the next meeting.

Trude Latimer, a market analyst in Charlottesville, Virginia, said the kind of large-capitalization stocks that made up the Dow industrials and the Standard & Poor's 500-stock index were likely to appreciate in coming months no matter what the Fed did. The current trend among Americans to invest in tax-advantaged retirement accounts has led to "systematic savings on a scale that has never been known before."

■ Profit Optimism Lifts Market

Broad stock-market indexes were higher on optimism that the Fed's action meant corporate profits would not be crimped by higher borrowing costs, news agencies reported.

The Standard & Poor's 500-stock index closed at 841.66 points, up 8.39, led by semiconductor shares, which received a favorable bill of health from Dataquest.

The research firm's analysts said rising sales of mobile telephones, personal computers and new products would help the global microchip industry grow between 9 percent and 15 percent this year. The technology-heavy Nasdaq composite index ended at 1,363.88, up 22.64.

IBM and Boeing led the Dow industrials higher, offsetting a decline in Alcoa and Caterpillar. The blue-chip index also was weighed down by declines in Exxon, Chevron and Du Pont. *(Bloomberg, AP)*

DOLLAR: *Fed Rains on the Currency's Parade*

Continued from Page 13

United States grew by 174 percent after a 26 percent increase in Japanese exports, largely fueled by brisk auto shipments and a 5.3 percent fall in imports.

Toyota Motor Corp.'s president, Hiroshi Okuda, said the yen's recent surge against the dollar was within "reasonable" levels and ruled out a revival of trade friction with the United States.

"Reasonable exchange rates are between 110 yen and 120 yen, and the rates are within that range," Mr. Okuda was quoted by Jiji Press as saying. He dismissed fears that Japan's higher exports would revive an auto-trade dispute with Washington.

"The threat of a Japanese rate rise has caused investors to panic," said Philipa Malmgren, a currency strategist at Bankers Trust.

Eisuke Sakakibara, director-general of the Finance Ministry's international finance bureau who is known as "Mr. Yen" for the weight his remarks carry on foreign-exchange markets, was quoted as saying that Tuesday's fluctuation was "too wild" and undesirable for the economy.

FOREIGN EXCHANGE

Seiroku Kajiyama, the official spokesman for the Japanese government, meanwhile, said the yen's new surge against the dollar would have "various impacts on industry and national consumption."

Koji Asano, senior manager at Fuji Bank, said yen-buying enthusiasm remained strong, especially among Japanese exporters converting their dollars.

Interest-rate uncertainty dominated European financial markets Tuesday, sending the dollar on a roller-coaster ride and causing sharp drops in European stocks. *(Bloomberg, AFX, AP)*

AMEX

Tuesday's 4 P.M. Close
The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]					

INTERNATIONAL FUTURES

May 20, 1997

	High	Low	Latest	Chge	OpInt
[illegible]					

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7185.19	7313.35	7152.64	7303.46	+74.58
Trans	2628.02	2674.83	2617.85	2673.64	+38.53
Util	220.22	222.05	218.84	221.55	-0.17
Comp	2241.35	2277.49	2233.56	2275.71	+22.69

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	984.99	976.44	982.57	991.24
Transp.	608.73	601.86	607.02	612.17
Utilities	193.61	192.61	193.14	192.52
Finance	93.85	93.00	93.10	94.94
SP 500	835.92	828.87	833.27	841.66
SP 100	820.70	812.56	818.46	828.32

NYSE

	High	Low	Last	Chg.
Composite	437.32	430.47	437.20	+3.06
Industrials	554.85	546.91	554.65	+3.18
Transp.	400.26	393.97	400.17	+3.60
Utility	268.94	265.18	268.67	+0.65
Finance	396.81	387.64	396.77	+5.69

Nasdaq

	High	Low	Last	Chg.
Composite	1363.89	1338.96	1363.88	+22.64
Industrials	1094.44	1078.34	1094.41	+12.73
Banks	1460.86	1447.73	1459.65	+4.66
Insurance	1508.31	1495.56	1507.78	+10.82
Finance	1773.14	1758.35	1772.55	+7.16
Transp.	911.72	897.19	911.72	+11.05

AMEX

High	Low	Last	Chg.
590.77	586.56	590.76	+3.28

Dow Jones Bond

	Close	Chg.
20 Bonds	101.86	—0.28
10 Utilities	98.76	—0.15
10 Industrials	104.97	—0.40

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
[illegible]					

Nasdaq

	Vol.	High	Low	Last	Chg.
[illegible]					

AMEX

	Vol.	High	Low	Last	Chg.
[illegible]					

Trading Activity

NYSE

	Close	Prev.
Advanced	1419	1406
Declined	1085	1074
Unchanged	880	867
Total issues	3384	3347
New Highs	118	60
New Lows	6	11

Nasdaq

	Noon	Prev.
Advanced	1456	1979
Declined	1753	1949
Unchanged	2171	1807
Total issues	5380	5735
New Highs	61	93
New Lows	92	73

AMEX

	Close	Prev.
Advanced	306	268
Declined	230	248
Unchanged	167	184
Total issues	703	702
New Highs	21	25
New Lows	7	3

Market Sales

	Today 4pm	Prev. cons.
NYSE	452.34	421.32
Amex	15.77	18.76
Nasdaq	502.17	451.00

In millions.

Dividends

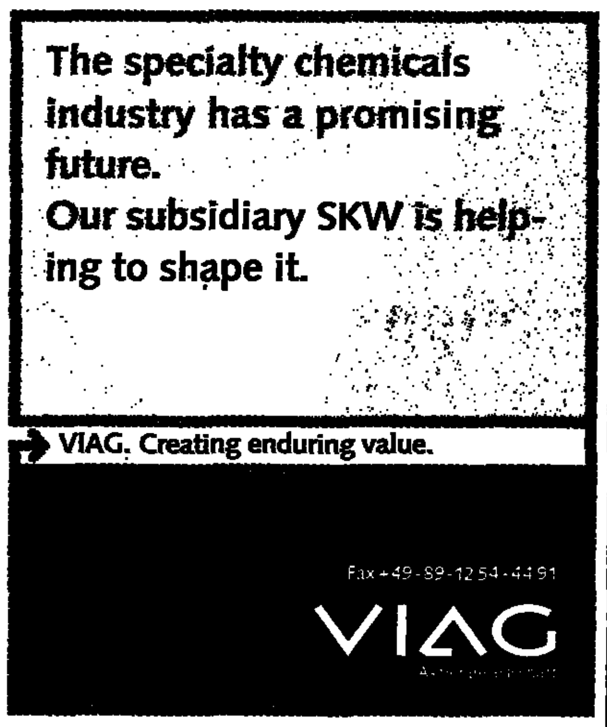
Company	Per	Amt	Rec	Pay
IRREGULAR				
British Telecom approx amount per ADR; includes special payment of 7.1312.				
Cross Timber Rlty	-	.1531	5-30	6-13
Kilroy Rlty		.3875	6-30	7-10
Oriental Fin Grp	-	.15	6-30	7-15
Permian Basin	-	.0324	5-30	6-13
Rally Intl	-	.02	5-30	6-13
San Juan Basin	-	.0454	5-30	6-13
Sentinel PA TxFr	-	.052	5-22	5-29
STOCK				
Monroe Muffler	-	5%	6-20	8-4
STOCK SPLIT				
Manitowoc Co 3 for 2 split.				
INCREASED				
AmVestors Fincl	Q	.03	6-3	6-16
Green Tree Fin		.0875		
YEAREND				
Deutsche Telekom	-	.3528	6-26	7-2
REDUCED				
Realty Refund Tr	Q	.05	6-2	6-16
Ft Dearborn Inco	Q	.27	5-30	6-13
INITIAL				
APL Ltd	-	.10	5-27	6-6
Quick & Reilly n	-	.06	6-2	7-1
REGULAR				
Barclays Bk ADR	b	.50	5-31	6-2
Centris Group	Q	.06	6-16	6-27
Crane Co	Q	.125	6-5	6-12
E.N.I. S.P.A ADS	b	.416	6-20	7-11
FL Progress	Q	.525	6-5	6-20
Gabelli Cv Secur	Q	.12	6-20	6-27
Gabelli Eq Tr	Q	.25	6-20	6-27
Gateway Bncp KY.	Q	.10	6-9	6-23
Katy Indust	Q	.075	6-27	7-21
MorganStan HI	M	.105	5-30	6-13
Ntl Australia Bk	b	1.71	6-25	7-29
Nike Inc B,	Q	.10	6-18	7-3
Omnicom Grp	Q	.20	6-13	7-2
Reynolds Metals	Q	.35	6-3	7-1
Riviana Foods	Q	.10	6-16	7-15
Sentinel Bd Fd B.	M	.029	5-22	5-29
Sierra Pac Res	Q	.31	7-15	8-1
Trans Fincl	Q	.17	6-2	6-16
Watkins-Johnson	Q	.12	6-12	6-26

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.


The specialty chemicals industry has a promising future.
Our subsidiary SKW is helping to shape it.
VIAG. Creating enduring value.
VIAG

مكتبة الأصل

EUROPE

A Whiff of Trouble In Perfume Business Erodes LVMH Profit

Compiled by Our Staff From Dispatches

PARIS — LVMH Moet Hennessy Louis Vuitton SA said Thursday that 1996 profit fell 9 percent amid a slump in operating earnings for perfume and a charge for the sale of a stake in the British brewer Guinness PLC.

The maker of Dom Perignon champagne, Christian Dior perfumes and Louis Vuitton leather goods and bags said net profit fell to 3.68 billion francs ($648.9 million), including the effects of a one-time charge of 615 million francs, largely for the sale of a 7 percent holding in Guinness.

LVMH's purchase of a 61.25 percent stake in the duty-free retailer DFS Group Ltd. last year overshadowed the earnings report as investors searched for hints of a bigger Asia presence to help overcome flagging profit on cognac and fragrances.

LVMH shares closed 6 francs lower at 1,304, wiping out an initial gain of 4.8 percent as investors reevaluated the near-term impact of LVMH's purchase of a majority stake in DFS.

Volume was close to five times that of an average trading day, with 909,703 shares traded, compared with an average of 194,781 a day over the past six months.

"The initial share-price rise reflected a strong presentation of the long-term benefits of DFS," said Jonathan Goble, an analyst at BZW Ltd. "Since the meeting, the market has maybe focused more on a less positive short-term outlook, partly caused by a weak yen."

LVMH said its sales in 1996 rose to 31.14 billion francs from 29.78 billion.

Separately, Guinness announced a better-than-expected rise of 11 percent in its 1996 pretax profit, to £975 million ($1.56 billion), on strong sales of its signature stout beer and improved U.S. demand for premium Scotch whisky.

Guinness's shares closed at 500 pence, up 16, in London.

Investors seemed unworried by the breakdown of talks between LVMH and Robert Miller, who owns 38.75 percent of its DFS Group Ltd. unit, about the sale of Mr. Miller's stake in DFS, which operates duty-free shops.

LVMH's charge against earnings resulted from the sale of its stake in Guinness for $934 million to help finance its purchase of DFS.

LVMH bought 58 percent of DFS for $2.47 billion last year and later lifted its stake to 61.25 percent.

The talks with Mr. Miller, the only other DFS shareholder, broke down Wednesday, LVMH said.

"It wasn't worth spending 9 billion francs to exploit the synergies that exist between LVMH and DFS," said LVMH's chairman, Bernard Arnault, speaking for the first time about the price that had been offered to Mr. Miller for his shares.

Mr. Miller said Wednesday that LVMH had gone back on an agreement in principle, reached last month, to acquire his stake. He said he expected to take legal action.

Characterizing the talks as "difficult," Mr. Arnault said the company and Mr. Miller had agreed to manage DFS jointly and that LVMH would not rule out making another offer for Mr. Miller's stake later.

Mr. Arnault said Thursday that LVMH would spread the cost of its acquisition of most of DFS over 40 years, rather than 25 to 30 years as previously planned, so the cost would have less impact on each year's results. *(Bloomberg, Reuters)*

Grundig's Loss Widened in '96; Layoffs Are Set

Bloomberg News

NUREMBERG — Grundig AG said Thursday that its operating loss widened by one-third in 1996 as prices for consumer-electronics goods fell, and the company laid out a plan it said would return it to profit in 1999.

The company also said it would cut 1,700 of its current 6,700 jobs this year, mostly in administrative areas. Grundig's work force has already shrunk by 1,900 since Dec. 31 because the company sold some units and closed a factory.

Grundig said its operating loss widened to 382 million Deutsche marks ($227.4 million) from 288 million DM in 1995. Its net loss, which includes reorganization costs, narrowed to 553 million DM from 598 million DM.

Sales fell 5 percent, to 3.33 billion DM, as companies such as Siemens AG stopped selling products made by Grundig and marketed under other brands.

Working Longer – for What?

New German Store Hours Fail to Increase Sales or Jobs

Bloomberg News

BONN — Longer store opening hours in Germany have failed to reverse a five-year slump in the retail industry and have created few new jobs, the retail association HDE said Thursday.

In a survey of 2,500 retailers conducted by the association, about 86 percent said they had extended their store hours in response to a new law allowing them to do so. Few, however, said sales had risen as a result.

"Regardless of the city, very few retailers have seen positive sales results compared with the year before," the retail association said.

While stores in large cities expressed the most optimism about the effects of extended store hours, only 25 percent said sales had increased, compared with the year-earlier period, since the law took effect Nov. 1.

The law, which was opposed at various times by many industry groups including the retailers' association, allows retailers to remain open until 8 P.M. during the week and 4 P.M. on Saturdays. Most stores are still forbidden from opening on Sundays.

"The consumers are reacting much more slowly than we expected," the president of the HDE, Hermann Franzen, said. He added that a full liberalization of store hours was "years away."

Overall, only 15 percent of retailers that have adopted longer hours have increased employment as a result, the retail association said.

"At the moment, the longer opening hours are resulting in higher costs which are proving difficult to compensate for," Mr. Franzen said. "A department store in a big city must increase its sales by at least 2 percent to cover the personnel and operating costs of staying open longer."

The association said it expected retail sales in Germany to stagnate this year after falling an inflation-adjusted 1.5 percent in 1996.

German shopkeepers have seen sales rise only slightly or decline for five years. In recent months, soaring unemployment, which in February was at a postwar high of 4.67 million people, has further battered consumer confidence and spending.

The retailers' association, however, said it expected consumer spending power to rise by 10 billion to 12 billion Deutsche marks ($5.9 billion to $7.1 billion) if the government pushed through its planned reductions in corporate and personal income taxes.

■ Consumer Prices Rise Less Than Expected

Consumer prices in Western Germany rose less than expected in February, and economists said this showed that inflation was not a threat to the German economy, Bloomberg reported from Wiesbaden.

West German consumer prices rose a revised 0.3 percent in the month to mid-February, down from 0.5 percent a month earlier, the Federal Statistics Office said.

Separately, the Bundesbank left interest rates unchanged at its meeting, as expected, amid signs the economy was on the way to faster growth in the second quarter.

British Steel to Speed Up Job Cuts

Compiled by Our Staff From Dispatches

LONDON — British Steel PLC said Thursday it would speed up plans to cut costs and jobs as the strength of the pound bit into its competitiveness in an industry already suffering from overcapacity.

Executives of the steelmaker, one of the most efficient in Europe, are to meet with union representatives Friday to discuss the plans and changes in working practices.

The news comes with German steelworkers having taken to the streets this week to protest Krupp Hoesch AG's proposed hostile bid for the rival steelmaker Thyssen AG. The two companies began talks Thursday at a secret location in Germany on a possible merger to avoid a takeover battle.

Thousands of Krupp and Thyssen steelworkers, meanwhile, held a meeting in Dortmund to oppose the proposed merger, which would probably mean the loss of many of their jobs. Thyssen workers in Duisburg who had held a two-day stoppage went back to work Thursday.

British Steel has cut its work force from almost 200,000 in the early 1980s to 53,000 worldwide today. In November, the company said its first-half pretax profit fell by more than half, to £262 million ($418.7 million).

A British Steel representative said there would be a "significant increase in the level of job reductions" beginning in the next financial year.

The spokesman said there would be no plant closures, however.

British Steel's shares rose 1 pence to close at 159. *(Bloomberg, Reuters, AFP)*

Warning on Monetary Union Delay

Reuters

TOULOUSE, France — The European Union commissioner for monetary affairs said Thursday that any delay to economic union would be legally impossible and would require a change to the Maastricht treaty.

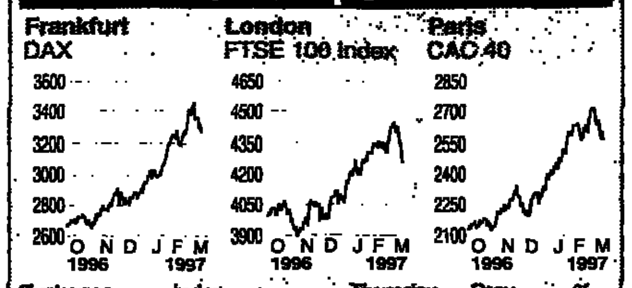
In a speech here to French farmers, the commissioner, Yves-Thibault de Silguy, also said that the move toward launching a single currency in January 1999 was irreversible and that no politician was seriously considering a delay.

Speculation about a delay to monetary union has been fueled by doubts about whether Germany, meant to be Europe's model economy, can cut its budget deficit to 3 percent of gross domestic product this year to meet the Maastricht criteria.

But Mr. De Silguy said delay would be politically dangerous. "It would open the way to a major European crisis, for it would show that the European Union is not capable of respecting its commitments."

It would also be "economically suicidal," encouraging intense pressure to ease up on budgetary restraint. He added: "Delay would lead unavoidably to a rise in interest rates, a worsening in unemployment and, undoubtedly, monetary turbulence."

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	710.31	735.04	-3.36
Brussels	BEL-20	2,077.93	2,132.12	-2.54
Frankfurt	DAX	3,264.67	3,315.93	-1.55
Copenhagen	Stock Market	537.97	547.53	-1.75
Helsinki	HEX General	2,798.56	2,852.84	-1.90
Oslo	OBX	578.14	592.82	-2.48
London	FTSE 100	4,259.00	4,332.20	-1.69
Madrid	Stock Exchange	472.21	475.15	-0.62
Milan	MIBTEL	11731	11724	+0.06
Paris	CAC 40	2,557.48	2,596.77	-1.51
Stockholm	SX 16	2,808.54	2,863.53	-1.92
Vienna	ATX	1,209.50	1,213.89	-0.35
Zurich	SPI	2,828.66	2,878.50	-1.77

Source: Telekurs

International Herald Tribune

Very briefly:

• **Bayerische Motoren Werke AG**, the German luxury carmaker, reported an 18 percent increase in net profit in 1996, to 820 million Deutsche marks ($487 million), an improvement analysts attributed to strong demand for its higher-priced models and a weaker Deutsche mark.

• **Bayerische Vereinsbank AG** said net profit rose 32 percent, to 869 million DM, in 1996, as interest income increased.

• **Canal Plus SA** shares surged on news that the pay-television company was reaching compromises with rivals in its fragmented markets. Shares of Canal Plus closed up 4.78 percent, at 1,118 French francs ($197).

• **Kuoni Travel Holding AG**, Europe's third-largest travel company, reported a 3.5 percent increase in net profit for 1996 to a record 69.4 million Swiss francs ($48 million).

• **Juan Villalonga**, chairman of **Telefonica de Espana SA**, said newspaper reports that the company would sell part of its lucrative Latin American operations to **British Telecommunications PLC** were "false." He said the company was still talking with other telecommunications firms.

• **Hans Dalborg**, chief executive of Sweden's state-controlled **Nordbanken AB**, said he was prepared to negotiate with **Skandinaviska Enskilda Banken AB**, Sweden's third-largest bank, about a merger again if the owners agreed. Merger talks between the two banks collapsed in early February. *Bloomberg, Reuters*

EU Clears 5-Way Telecom Pact

Reuters

BRUSSELS — The European Commission said Thursday that it had cleared an agreement between five leading European phone companies to create a digital telecommunications network.

But it warned it was watching to ensure that the companies — British Telecommunications PLC, Deutsche Telekom AG, France Telecom, Telecom Italia and Telefonica de Espana — did not discriminate when leasing lines on the Global European Network to competitors.

WORLD STOCK MARKETS

Thursday, March 20

Prices in local currencies.

Telekurs

	High	Low	Close	Prev.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	148.68	-1.60	–1.06	+12.75
Regional Indexes				
Asia/Pacific	109.12	-0.94	–0.85	–18.72
Europe	155.64	-3.71	–2.33	+11.83
N. America	173.43	-0.51	–0.29	+35.20
S. America	140.02	+2.76	+2.01	+57.26
Industrial Indexes				
Capital goods	172.69	-0.52	–0.30	+29.96
Consumer goods	167.34	-2.32	–1.37	+21.20
Energy	176.37	-1.12	–0.63	+30.05
Finance	110.50	-1.80	–1.60	–13.15
Miscellaneous	152.84	-1.96	–1.27	+12.54
Raw Materials	178.57	-1.70	–0.94	+25.93
Service	140.42	-0.93	–0.66	+17.02
Utilities	133.02	-0.42	–0.31	+4.62

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. *Compiled by Bloomberg News.*

Market Closed

The stock market in Tokyo was closed Thursday for a holiday.

NYSE

Thursday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

IHT TECHNOLOGY INDEX

All of the past month's technology articles from the IHT, now available on our site on the World Wide Web.

http://www.iht.com

Continued on Page 23

Net Profit At Jardine Drops 28%

One-Time Charges Hurt 1996 Results

Compiled by Our Staff From Dispatches

HONG KONG — Jardine Matheson Holdings Ltd., the oldest British trading company operating in Hong Kong, said Thursday its net profit slumped 28.5 percent in 1996, to $300.2 million, as one-time charges and weak consumer demand in key Asian markets hurt results.

Sales for the trade, finance and real-estate conglomerate rose 9.1 percent, to $11.61 billion.

Pretax profit was $703.9 million, down 17 percent from the previous year. Operating profit was down 19 percent, at $264.4 million.

Jardine Matheson said the deterioration in its results was largely due to nonrecurring items, most of them related to discontinued activities and "repositioning costs."

The conglomerate realized a one-time gain of $102.6 million on the sale of Unit Merchant Finance Ltd., a finance company. It posted a loss of $47 million from the closure of its 39 Sizzler restaurants in Australia.

Jardine Fleming Securities Co., the company's joint-venture investment bank, was helped by rising world stock and bond markets, but it had to pay about $20 million in fines and restitution for violating fund-management rules last year.

Jardine's trading and distribution division was held back last year by weak consumer demand in Japan and Hong Kong, the company said. Jardine International Motors Holdings Ltd. posted a 36 percent decline in net profit, to $68.9 million.

Profit from the conglomerate's main unlisted unit, Jardine Pacific Ltd., was $94 million, down 7 percent from 1995.

"This was primarily due to weaker performances at its Pizza Hut operations and shipping activities," it said. Jardine Matheson shares, which are denominated in U.S. dollars, closed unchanged at $5.80 in Singapore trading.

(AFP, Bloomberg, Bridge News)

Hanoi and Beijing Joust at Sea Again

Compiled by Our Staff From Dispatches

HANOI — China and Vietnam are thirsting for power, and it threatens to lead them toward yet another clash in the South China Sea.

The power they are seeking comes from petroleum, and the latest dispute is over exploration rights at a site no one is certain will yield much of a prize.

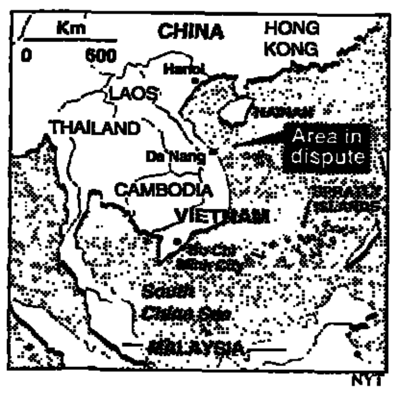
The two countries are staking claims to an area east of Vietnam's third-largest city, Da Nang, and south of China's Hainan Island. It is the fourth time they have gone head to head over such a site, including a brief but bloody skirmish over the Spratly Islands in 1988.

Behind all these disputes is a need for both countries to fuel their economic growth, which gives them a growing appetite for energy resources, analysts and company officials say.

"This is simply the reflection of a foreign policy being driven by economic necessity," a veteran diplomat in Hanoi said.

"Definitely it's important to the Chinese," said Declan Ryan, a specialist on China at Wood Mackenzie Consultants Ltd. in Edinburgh, Scotland, referring to the latest site. "The area offers China some domestic gas capabilities."

The site is about 600 miles (960 kilometers) north of the Spratlys in the South China Sea. But its location may help explain the dispute, which broke out March 7 when a Chinese oil rig moved into the area. Because the site is more likely to contain gas than oil, analysts say, it would need to be close enough to its potential market for a pipeline to be built. Unlike the Spratlys, which are about 800 miles from the Chinese mainland, this site is only 75 miles south of Hainan and 65 miles east of the Vietnamese coast.



NYT

With one of the world's fastest-growing economies, China faces soaring energy needs. The country became a net importer of crude oil for the first time in 1995 and imported 20 million tons of crude last year. Analysts figure that China will have to buy 28 million to 30 million tons of crude oil abroad this year.

A similar story applies to Vietnam, which had economic growth last year of 9.5 percent. The country's supply of electricity is expected to fall 2.8 billion kilowatt-hours short of demand next year, according to Electricity of Vietnam, its monopoly provider of power, and demand is forecast to triple over the next decade.

"There's certainly going to be a growing need for energy in Vietnam," said Jonathan Akerman, the Hanoi manager for Anzoil NL of Australia, which is exploring for natural gas in the Red River delta east of Hanoi. "It will be tied in with the growth of the economy."

The wild card is the question of how much petroleum is at the new site. Analysts say the data are too scarce to be able to tell. The nearest field to the disputed region that is producing petroleum is operated by Atlantic Richfield Co. That is in undisputed Chinese waters about 25 miles to the northeast.

That field has estimated reserves of 3.5 trillion cubic feet, Mr. Ryan of Wood Mackenzie Consultants said. That pales in comparison with, say, Indonesia's Natuna field, which is estimated to have 46 trillion cubic feet of recoverable reserves.

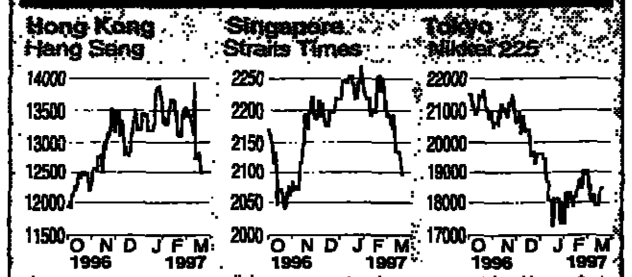
Still, Atlantic Richfield's find is big enough for the venture to be profitable, and it would make up between 20 percent and 25 percent of Vietnam's known natural-gas reserves. The problem is, even if such reserves are found, there are no immediate prospects for settling the question of whether the pipeline would go to Vietnam or to China.

Neither side shows any sign of backing down on its claim. Tran Xuan Thuy, a spokesman for the Vietnamese Foreign Ministry, said, "When it is necessary, Vietnam will, on its own or with foreign partners, carry out exploration in its exclusive economic zone."

Beijing, meanwhile, has been no less firm in defending its right to explore in the area.

(Bloomberg, Reuters)

Investor's Asia



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	12,472.33	12,651.42	-1.42
Singapore	Straits Times	2,095.43	2,120.58	-1.19
Sydney	All Ordinaries	2,391.30	2,385.20	+0.26
Tokyo	Nikkei 225	Closed	18,493.71	-
Kuala Lumpur	Composite	1,225.98	1,234.83	-0.72
Bangkok	SET	711.09	708.62	+0.35
Seoul	Composite Index	642.86	646.29	-0.53
Taipei	Stock Market Index	8,492.67	8,441.52	+0.61
Manila	PSE	3,286.87	3,280.61	+0.19
Jakarta	Composite Index	663.13	663.17	-0.01
Wellington	NZSE-40	2,212.48	2,214.48	-0.09
Bombay	Sensitive Index	3,732.05	3,689.07	+1.17

Source: Telekurs — International Herald Tribune

Very briefly:

- **Adnan Khashoggi**, the Saudi tycoon, will take legal action against Thai authorities if they do not drop charges against him of conspiring to defraud the ailing **Bangkok Bank of Commerce PLC**, the newspaper Al Sharq al Awsat reported.
- **North Korea**'s economy shrank for the seventh consecutive year in 1996, by an estimated 3 percent, when harvests met just over half of the nation's needs, a South Korean government report said.
- **Beijing** officials' plans to limit the number of new cars permitted on the streets have aroused concerns among manufacturers and sparked an auto-buying spree by some worried consumers, the China Daily reported.
- **Robert Rubin**, the U.S. Treasury secretary, will visit Vietnam April 6-8 to discuss a possible trade agreement.
- **Cheung Kong Infrastructure Holdings Ltd.** reported net profit of 886 million Hong Kong dollars ($114 million) for 1996, up 56 percent from pro-forma results for 1995.
- **PT Telkom**'s net profit for 1996 rose 66 percent, to 1.503 trillion rupiah ($624.8 million) as the Indonesian phone company warned that future growth could be threatened by increasing competition in the domestic market.
- **Taiwan** has eased restrictions on nonlife insurance companies to allow them to offer long-term loans and flexible insurance rates, according to the China Economic News Service.

Reuters, AFP, Bloomberg

Slump Stunts Singapore Exports

Weak Electronics Shipments Put Growth Targets in Doubt

Bloomberg News

SINGAPORE — Non-oil exports fell 7.9 percent in February from a year earlier, according to data released Thursday, amid a continued slump in the electronics industry, raising concern that first-quarter economic growth may not meet expectations.

Stock prices plunged after the report by Singapore's Trade Development Board showed that non-oil exports fell to 5.5 billion Singapore dollars ($3.82 billion).

The Straits Times industrial index of 30 stocks fell 1.19 percent, or 25.13 points, to close at 2,095.43, its lowest level since Nov. 6. The DBS50 Index of 50 stocks, which includes banks and property shares, fell 0.61 percent, or 3.31 points, to 538.81. It was the seventh consecutive daily decline for both indexes.

With exports so weak, "it's unlikely" that the economy will meet expectations for growth of between 5 percent and 5.5 percent annually in the first quarter, said Ng Bok Eng, an economist at Deutsche Morgan Grenfell.

In addition, "the weak figure in February lowered the chances of a recovery in the second quarter," Andy Tan, an economist at MMS International, said.

The February fall in non-oil exports reflected "the continued sluggish global demand for electronics products, particularly semiconductors," the Singapore Trade Development Board said. Electronic goods account for about two-thirds of Singapore's exports and about half of its gross domestic product.

Non-oil exports, which exclude oil products and goods that pass through Singapore, are closely monitored as a key indicator of the health of Singapore's export-oriented economy.

Guangdong Investment Unit Gets Strong Response to Offer

Reuters

HONG KONG — GITIC Enterprises Ltd.'s initial public offering is expected to be between 900 and 1,000 times subscribed, a level of demand that would make it one of the most successful new issues on the Hong Kong exchange, market sources said Thursday.

GITIC Enterprises, which is indirectly controlled by the Guangdong provincial government's investment arm, Guangdong International Trust & Investment Corp., imports and sells construction materials in Hong Kong and China. It also owns part of a shopping mall at GITIC Plaza in Guangzhou.

Despite talk this week that the offering had hit a snag, investors rushed to order the shares before the offering's subscription period expired Thursday, the sources said.

The company offered 100 million new shares at 1.05 Hong Kong dollars (14 U.S. cents) each. Trading in the shares is due to begin Wednesday. The company said it would announce results of the subscription offer Monday. Analysts said the small size of the issue, the prospects of future asset injections and GITIC's ties to one of the main financial institutions in Guangdong had made the issue particularly attractive.

CRACK: *Computer-Security Experts Unravel Cell Phones' Code*

Continued from Page 13

of California at Berkeley researcher who was a member of the team that broke the code. "We can use this as a lesson and save ourselves from more serious vulnerabilities in the future."

Communications-industry technical experts, made aware of the security flaw this year, have been meeting to determine whether it is too late to improve the system's privacy protections.

Already, the digital technology is in use in metropolitan areas, including New York and Washington, where either the local cellular networks have been modified to support digital technology or new so-called wireless personal communications services are being offered.

"We're already in the process of correcting this flaw," said Chris Carroll, an engineer at GTE Laboratories, who is chairman of the industry committee that oversees privacy standards for cellular phones.

But Greg Rose, a software designer for the Qualcomm Inc., a leader in digital cellular systems, said that fixing the flaw would be "a nightmare."

Tightening the security system, he said, would involve modifying software already used in the computerized network switching equipment that routes wireless digital telephone calls, as well as the software within individual phones.

Currently, about 45 million Americans have cellular phones, though most of them are based on an older analog standard that offers no communications privacy.

But cellular companies are gradually converting their networks to the new digital standard, and the new personal communication services networks going into operation around the country also employ the digital-encryption system. Nearly 1 million PCS phones have been sold in the United States, according to cellular industry figures.

Besides Mr. Wagner, the researchers who cracked the code were Mr. Schneier and John Kelsey of Counterpane Systems, a Minneapolis-based consulting firm. Mr. Schneier is the author of a textbook on cryptography.

Industry executives acknowledged that steps had to be taken to address the problem.

"We need strict laws that say it is illegal to manufacture or to modify a device which is designed to perpetrate the illegal interception of PCS telephone calls," said Thomas Wheeler, president of the Cellular Telephone Industry Association, a Washington-based trade group.

Mr. Wheeler said the weaker privacy technology had been adopted not simply to meet the government's objections but because makers of wireless-communications hardware and software had wanted to embrace a technical standard that would meet federal export regulations. Those rules, based on national-security considerations, sharply curtail the potency of American-made encryption technology.

The three computer researchers who broke the code belong to an informal group of technologists who say that powerful data-scrambling technologies are essential to protect individual privacy in the current information age.

These technologists argue that the best way to ensure that the strongest security codes are developed is to conduct the work in a public forum. They are sharply critical of the current industry standard-setting process, which has made a trade secret of the underlying mathematical formulas used to create the security codes.

"Our work shows clearly why you don't do this behind closed doors," Mr. Schneier said. "I'm angry at the cellphone industry because, when they changed to the new technology, they had a chance to protect privacy, and they failed."

Mr. Carroll said the industry's privacy committee planned to revise the process for reviewing proposed technical standards.

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AVIS AUX ACTIONNAIRES

Messieurs les actionnaires sont convoqués par le présent avis à
L'ASSEMBLÉE GÉNÉRALE ORDINAIRE DES ACTIONNAIRES
qui se tiendra au siège social à Luxembourg le 1er avril 1997 à 15 h 00, avec l'ordre du jour suivant :

ORDRE DU JOUR

1. Compte Rendu d'Activité du Conseil d'Administration pour l'exercice se terminant le 31 décembre 1996;
2. Rapport du Réviseur d'Entreprises pour l'exercice se terminant le 31 décembre 1996;
3. Adoption des comptes de l'exercice se terminant le 31 décembre 1996;
4. Affectation du résultat de l'exercice se terminant le 31 décembre 1996;
5. Décharge aux Administrateurs et au Réviseur d'Entreprises pour l'exercice se terminant le 31 décembre 1996;
6. Nomination des organes sociaux:
   - Nomination des Administrateurs;
   - Nomination du Réviseur d'Entreprises;
7. Divers.

Les actionnaires sont informés qu'aucun quorum n'est requis pour cette assemblée et que les décisions sont prises à la majorité simple des actions présentes ou représentées.

Chaque action a un droit de vote.

Tout actionnaire peut voter par mandataire. A cette fin, des procurations sont disponibles au siège social et seront envoyées aux actionnaires sur demande.

Afin d'être valables, les procurations dûment signées par les actionnaires devront être envoyées au siège social afin d'être reçues le jour précédant l'assemblée à 17 heures au plus tard.

Les propriétaires d'actions au porteur, désirant participer à cette assemblée, devront déposer leurs actions cinq jours ouvrables avant l'assemblée au siège social de la société.

Les actionnaires désireux d'obtenir le Rapport Annuel Audité au 31 décembre 1996 peuvent s'adresser au siège social de la société.

Pour la société,
BANQUE DE GESTION EDMOND DE ROTHSCHILD LUXEMBOURG
- Société Anonyme -
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NOTICE TO THE UNITHOLDERS OF

SKANDIFOND SHORT BOND FUND
Registered Office:
16, Boulevard Royal
L-2449 LUXEMBOURG

SKANDIFOND SHORT BOND FUND

MANAGEMENT REGULATIONS
(modifications taking effect on April 1, 1997)
Referring to the version dated September 1, 1994, the following modifications have been brought about.

New Version:

ARTICLE 9 - ISSUE PRICE

First paragraph

The issue price of units in a Sub-Fund includes the net asset value of a unit in that Sub-Fund calculated in accordance with Article 7 of these Regulations, increased by a commission which will not exceed 5% of the net asset value; this commission includes all commissions payable to banks and financial establishments taking part in the placement of the units.

ARTICLE 12 - REDEMPTION

First paragraph

Owners of units may apply at any time for redemption of their units, which will be affected at the net asset value ruling at that time, decreased by a commission which will not exceed 0.50% of the net asset value: this commission includes all commissions payable to banks and financial establishments taking part in the redemption of the units.

Fifth paragraph

Confirmation of execution of redemption will be made by dispatching an advice to the unitholder, indicating the name of the Sub-Fund, number and class of units redeemed and the relevant net asset value per unit. Payment will be made in US Dollars, Swedish Kronors, Norwegian Kroners or in the base currency of the Sub-Fund within ten bank business days following the corresponding Valuation Day.

Luxembourg, March 12, 1997.

THE DEPOSITARY BANK S-E-BANKEN LUXEMBOURG S.A. — SKANDIFOND SHORT BOND FUND MANAGEMENT COMPANY S.A.

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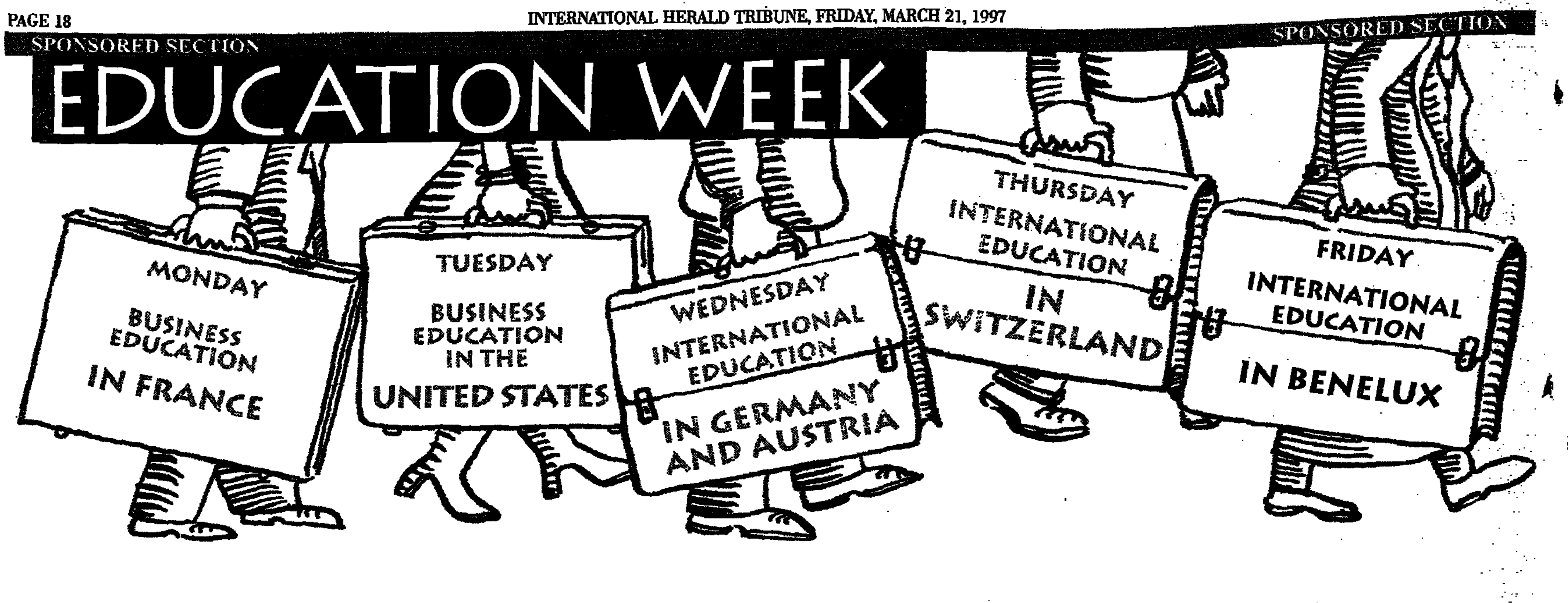


Business Schools Mount the Podium

European and U.S. MBA programs in the Benelux countries are among the world's finest.

The Benelux countries straddle the old Roman imperial border. In order to trade among the Continentals, the future business school graduate should be able to appreciate the cultures on both sides of the language and style divide.

That is where the Benelux business schools come in. Some emphasize the development of cross-European people skills. Some schools, for example, offer in-residence programs that straddle more than one country. Others mix a dash of European subtlety with an American-style system, and just go global.

Modular MBAs

NIMBAS, the Netherlands Institute for MBA Studies, falls into the first category. The two-year modular Executive MBA program is conducted in Bradford, Utrecht, Rouen and Trier, which sounds like a pleasant neo-Medieval trade route. With faculty drawn from across Western Europe, Canada and the United States, this multicultural school also offers an MBA in international general management, with optional specializations in environmental management and international marketing management.

Unlike most business schools, this one does not require students to take the GMAT to be admitted. For more information about a NIMBAS graduate program in Utrecht (or anywhere in the Netherlands), check with the degree equivalency center at NUFFIC in The Hague (http://beavis.nufficcs.nl).

With an attractive new bridge over the River Maas and a recent pop song singing the port city's praises, Rotterdam is bursting with civic pride. Its School of Management reflects the fresh spirit. Offering a wide range of degree and non-degree programs, the RSM, like its port, specializes in looking outward.

Probably more than any other facet, the school's out-of-house activities have gained it a high standing among European business schools. These include in-company training programs as well as international student exchanges, summer internships and company recruitment schemes.

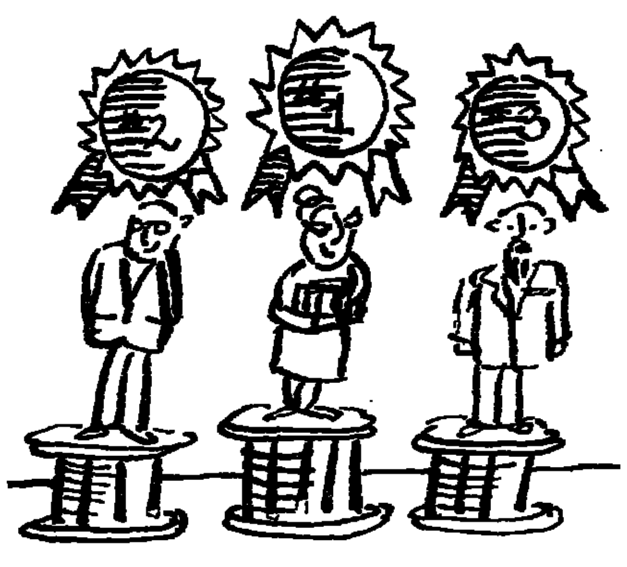
Career planning

On top of the standard company presentations, the RSM's career planning techniques comprise résumé and interview workshops, a student résumé book, alumni panels and a vast database of RSM contacts. The school is international not only in its diverse faculty and student populations, but also in its job placements. In 1995 and '96, 80 percent of job offers came from non-Dutch companies, with consulting firms in the majority.

According to Matt Symonds at Kaplan Educational Center in Paris, the word is that "highly selective recruiters are increasingly turning to RSM."

Nijenrode, located near Amsterdam, also has an international orientation. Dynamic and cosmopolitan on the one hand, Dutch and Old World on the other, the business school belies its medieval castle setting by maintaining an excellent business Web server (www.nijenrode.nl/nbr). Instead of merely promoting itself on the Web, however, the school has created a system connected to an excellent selection of the world's business databases.

The school also has its own international management journal (in Dutch).



Nijenrode is one of the schools that is represented at the more prestigious MBA fairs around the world.

Along with many others, Nijenrode will be at the MBA Fair at the Brussels Exhibition Center (next to the Atomium) on Saturday, March 22 and at the GMAC MBA forums in Paris, Frankfurt, Hong Kong, Tokyo and Seoul in May and June.

Some schools mix a dash of European subtlety with an American-style system, and just go global

Beacon Hill in Brussels

For more than a century, Boston's Emerson College has been known for its liberal arts programs, offered in conjunction with communications arts and sciences. Having branched out to Europe, the Beacon Hill Bostonians are now well-situated on Avenue Louise in the posh Ixelles district of Brussels, where the school offers an M.A. in global marketing and advertising.

In the 12-month program, students can choose from courses in intercultural communication, international negotiation and dispute resolution, and buyer behavior and audience analysis. They can also take an internship in the Pacific Rim or travel to Boston and enroll in the latest in new media and digital culture courses.

Among the business and management schools in Brussels, including Boston University and Solvay, the United Business Institute has a certain drive to it. It sprang from Mercer University in Atlanta and Macon, Georgia: the university was founded in the 19th century by a Baptist educator, pastor and poet.

Always ranked high in the Southern region, Mercer and its business school, Stetson, bill their European branch as the "number one business school in Brussels." The rating comes from Le Guide du MBA by DUNOD of Paris, which listed UBI and Rotterdam in its European MBA top 10. For a side-by-side listing of the better-known business school rankings, see www.BSCHOOL.com. European MBA programs are ranked in TIME magazine as well as by the Business Education Commission at www.top10.org.

The high standing stems from "our quest for quality," says François d'Anethan, UBI's dean. UBI offers a bachelor's and a master's degree in international management as well as an open invitation to study in Dixie. ●

Media Studies: Highbrow and High-Tech

Programs attract creative, motivated students.

How many times have you received a brochure from a faceless company offering a one-day multimedia training course for a large sum of money?

There are other ways of learning, outside of the hotel conference room and beyond the flow-chart culture. Some of the better programs are found at academies and art schools, where media and design skills are wrought with beauty.

One of them is the Utrecht School of the Arts in the Netherlands. At its Hilversum branch, one-year M.A. degree programs – in cooperation with such schools as the London Royal College of Art and the Paris ENSI-Les Ateliers (Ecole Nationale Supérieure de l'Art Industriel) – are available in interactive multimedia, electronic graphic design and more. With an average student age of 25, the interactive media M.A. program has the greatest foreign presence of any program at the school. Those interested in knowing more about its programs might wish to visit the "International Course Forum" at the Merz Akademie in Stuttgart, Germany, April 13-18.

Also located in Hilversum is Radio Netherlands Training Centre, which specializes radio and television journalism. Intended for professional journalists and producers from developing countries, its UNESCO-sponsored 14-week seminars cover the "dramatization of information" – techniques that make radio and television more compelling.

Responding to the criticism that reality is dramatic enough, Jaap Swart, the general manager of RNTC, counters that "bringing the news in the style of the novella and the soap opera keeps people's attention."

Visual culture

Students who prefer some in-depth analysis with their media-making should either look into the Film and TV Studies program at the University of Amsterdam or travel straight to Maastricht. Open to professionals and serious students, the Jan van Eyck Academy specializes in post-graduate courses on the art, design and theory of visual culture. Offerings include "interpretations of hypermedia" and a "discourse in visuality." Public lecture series are also available on Mondays at 4 P.M.

Across town, more semioticians are on hand at the University of Maastricht proper, whose new visual culture major has received much attention in the Dutch press.

If short on time, students and professionals might look into the seminars organized by the Netherlands Design Institute in Amsterdam, including the annual "Doors of Perception" conference, or by the Amsterdam Maastricht Summer University.

Among this summer's courses at Felix Meritis on Keizersgracht are a reinterpretation of Walter Benjamin's philosophy of culture, as well as approaches to the "creative city" for the 21st century. ●

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There is an extensive range of possibilities for foreign students. The Universiteit van Amsterdam offers over 30 international programs - all taught in English - at undergraduate and graduate level, which can be concluded with credits, a Certificate, a Master's degree or a Ph.D. degree.

A few examples of what the Universiteit van Amsterdam has to offer:

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The DASA-program • Discourse and Argumentation Studies at Amsterdam.

ILLC • offers a Graduate program in the foundations and applications of Logic (http://www.wins.uva.nl/research/illc/mol/mol.html).

ASIR • The Amsterdam School of International Relations (ASIR) offers postgraduate programs in European Union Business Law (LL.M.), International Trade Law (LL.M.) and International & European Relations (http://www.asir.nl).

Although all the International Study Programs are taught in English students also have the possibility to learn Dutch at the *Instituut voor Nederlands als Tweede Taal* (INTT) which offers Dutch language courses at various levels.

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IB CURRICULUM TO BEGIN AT AGE 3

Continuity is key to an international education.

Before enrolling their children in a school, parents living abroad think not only about a school's reputation and orientation but also about educational continuity: If we move (again), will our daughter pick up where she left off?

Beginning in September, certain schools offering the International Baccalaureate program will be making strides to provide an affirmative answer. The International Baccalaureate Organisation in Geneva has announced the introduction of a curriculum for 3-to-12-year-olds. This will extend the scope of the highly touted program, already in place for international middle schools and high schools.

Since the early 1970s, the International Baccalaureate program has been university-oriented. Taught at over 700 schools worldwide, the IB diploma curricula have an American feel, with an emphasis on thorough, up-to-date arts and sciences courses, extracurricular activities and community action service. The philosophy centers on educating the "whole child," and American and, increasingly, Japanese pupils make up the majority at many schools.

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Dutch treat: students can benefit from a top-flight education – and this in relaxing surroundings.

Broad base
The IBO programs provide continuity in another sense as well. Instead of focusing on three or four subjects beginning at the age of 16, as in the Anglo-Continental systems, "students maintain the traditional areas of learning right up through secondary school," according to Ian Hill at the IBO in Geneva.

This traditional American educational philosophy dovetails with the current trends toward flexibility in the workplace.

"With a broad base of learning, graduates will be able to better adapt to changing demands," says Mr. Hill.

The IBO's leading edge "holistic view" is also seen in the Middle Years Program for 11-to-16-year-olds. Bringing together separate arts, sciences, humanities, physical education and technology courses are five cross-cutting themes: effective learning, community service, health and social education, the environment and homo faber ("man the maker"). This last theme is expanded in the popular subject "technology and options," in which technology is viewed as a social phenomenon. The high school follow-up is "information technology in global society," another student favorite.

In the Benelux region, there are 12 Dutch, one Luxembourgeois and six Belgian international schools offering the high school IB program (see www.ibo.org). Just three (in the Netherlands) teach the Middle Years program. Come September, schools in Luxembourg, Amsterdam, Brussels and Eindhoven (in the Netherlands) will break the seal on the new curriculum, which has been tried over the last five years.

"In the Primary Years Program, children learn by experimenting," says Joanne Rich of the International School of Amsterdam. Referring to the "inquiry-based curriculum," she adds, "Students bring in and work out questions raised at home."

Intangible elements
While the IBO continues to expand – including electronically, with it own IBNET – a number of schools still have specific pedagogical, religious or ethnic orientations. Roman Catholic or Montessori, British, French, Japanese or Scandinavian – many schools provide certain intangible elements that some parents consider vital. Many also offer the IB diploma program.

For a rundown of all the schools, order the 1997-98 International Schools Directory at www.ecis.org. ●

ENGLISH-LANGUAGE COURSES WITH A EUROPEAN FLAVOR

Reinventing tradition is the key to staying competitive.

Internationalization has become the watchword of the Dutch university system. The classic Dutch university offers a wide range of liberal arts courses and degrees. English speakers from Vietnam to Australia and from the Czech Republic to the United States are increasingly finding that the road to a well-rounded European education begins in the lowlands.

At the vanguard is the University of Amsterdam, with its new "International School." Under one roof are all the once-disparate English-language programs – European studies, international relations, philosophy, political science, anthropology, sociology, science and technology. Yet each program has a pronounced "European" flavor.

Some countries have great difficulty shedding their crusty traditions, but the Netherlands has already taken three steps toward modernization.

First, "We bid a dramatic farewell to the state," says Jan Karel Gevers, president of the University of Amsterdam and a member of the Board of Trustees of its holding company. No longer a branch of government, the university has gained autonomy and self-esteem. Second, the school acknowledged that a primary vehicle of instruction must be English – the Latin of the 21st century.

Anglo-Americanization has not only attracted students from abroad, but has ensured an internationally recognized standard of research and education at home. Third, parochialism was attacked. For example, the "threats" of English to the national (university) culture were exposed as myths.

"During their short stays, international students develop an interest in Dutch culture, language and history," says Professor Gevers. The influx of keen foreign students also gave new life to time-worn courses.

"It was natural and self-evident to remind people of Amsterdam's role since the 17th century as the meeting place of cosmopolitans," says Professor Gevers, referring to the city's long-standing press and commercial freedoms.

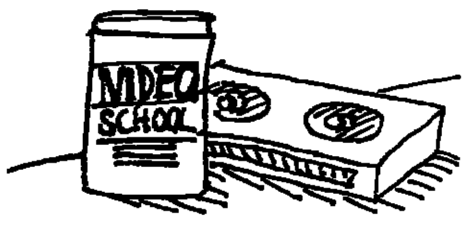
Once a country cousin among the great European universities, the University of Amsterdam is gradually becoming a role model. By developing a comprehensive English-language curriculum, it also has set a challenge for other schools.

Information on international programs at the University of Amsterdam can be found on its Web site: www.uva.nl. ●

WEB MAKES TIRESOME BROCHURES AND CAR TRIPS OBSOLETE

The World Wide Web liberates students and parents alike. Rather than comb through catalogues and travel cross-country, they can see schools on-line.

For prospective university and even (international) high school students, the World Wide Web is replacing guidance counselor's book shelves, glossy brochures and long car trips. They can "visit" guidebooks, clearing-houses, schools and colleges in about an hour on the World Wide Web. The distance to resources like the International Baccalaureate Organisation in Geneva or the Amsterdam International School is now measured in a few clicks of a mouse.



MTV generation goes to school
The MTV generation is, of course, Internet savvy. Visit the IRC (Internet relay chat) lines on the Net, and you'll be conversing with teenagers. Go to big corporate sites, and it's the youngsters who are playing the Web games. And in between chats and shock wave sessions à la Michael Jordan, the kids, when prodded by their parents, sometimes pay "visit" to a school.

For the schools themselves, it is no longer a question of whether or not to be on the Web. The issue is how to design a site that reflects the school's image and attracts future students' attention. If the Web site is cool, so is the school – or so goes the thinking.

Sites for students and parents
An effective site provides at least two alternate routes, one for the students and one for the parents. The parental road should be designed for a quick look at essential facts and figures. The student road should lead to the productions of other students and to educational gameware.

The Benelux school site that comes closest to this ideal is the International School of Amsterdam's, created by a student, Chia-Chi Wu. In the first instance, it is made for adults. Information on the International Baccalaureate, the new anthroposophic (a popular architectural style in the Netherlands) buildings and more is there for the clicking.

For kids, by kids
At the bottom of the page is a little graphic called "Digby's Four Paws Pick of the Day" – a Web honor awarded to the site. One touch brings you into the international realm of pages "for kids by kids," some of them with sound clips.

The ISA site address is www.abc.nl/ISA; a new "parental" site has come on-line at www.isa.nl. ●

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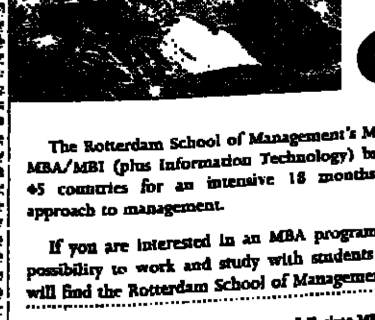
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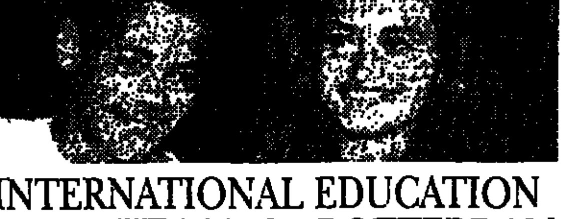
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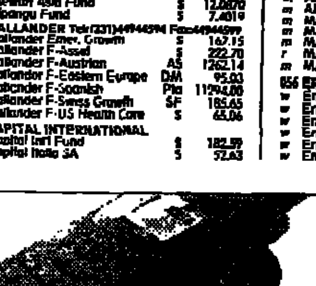

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Renaissance in Europe

destination Germany

HAMBURG, LEIPZIG AND HEIDELBERG: THREE RENAISSANCE CITIES

A look at three centers of free trade, free thought, free spirits and free-wheeling good times.

HAMBURG

World-class performing and visual arts, time-hallowed cityscapes, stunning natural settings – individually, these items are highly enjoyable. When they are melded, they form a high point of any trip and the quintessence of travel in Europe. Hamburg's Rathausplatz in late August will be one example of this melding.

Hamburg has been a major port for 12 centuries, and the world's traders and other travelers have been congregating at the city's main square and exchanging news, gossip and other waterborne tidings for about that long.

At the turn of the 17th century, traders making their way from the warm lands of Italy brought word of a new, ultramodern art form, which combined music, speech and acting. This art form – opera – proved to be a great hit in Hamburg. The city's patrician families spent much of their riches (gained through ship-borne trade with virtually the entire world) on building copper-roofed mansions – and on putting on operas.

One of the latter – the aptly named Renaissance Suite – is widely regarded as one of the most luxurious of its kind. Contained in its 180 square meters (1,900 square feet) are two bedrooms, a palatial living room, a bar and three bathrooms.

All the landmarks of Hamburg's prosperous present and past are within easy walking distance of the hotel. The Hanse-Viertel, perhaps the most elegant of the many shopping arcades built over the past few decades in Hamburg, is directly linked to the hotel. Just south of the hotel is the harbor, "where Hamburg has traditionally earned its money," says the hotel's director, Paul de Bruijn, "and just to the north is the Binnenalster. The promenades flanking this inland lake are where Hamburg has traditionally shown how it has spent its earnings."

On several evenings in late August, Renaissance hotel guests will head a few hundred meters eastward to the Rathausplatz, which will be converted into an open-air stage in the summer. Taking advantage of a Renaissance opera arrangement, the guests and several hundred other opera-goers will be regaled with the works of Puccini, Wagner and other great composers, sung by José Carreras, Agnes Baltsa, Siegfried Jerusalem and other world-class performers.

In Hamburg, home to patrician mansions and music lovers, the Renaissance Hamburg Hotel has a special offer for opera-goers.

Afterward, weather permitting, many of the opera-goers are likely to enjoy a fish dinner at the Renaissance's Noblesse restaurant.

Many of them will conclude the evening by watching the ships head to and from the sea, a favorite Hamburg pastime since A.D. 800.

"One of the most enjoyable aspects of this modern-minded city is how the past and all its products are so much in evidence here," says Mr. de Bruijn.

The Renaissance Hamburg Hotel offers a package for the Puccini gala, which will be held on Aug. 21, 1997.

Hamburg today is still rich, with the highest per-capita income in the European Union. It is still one of the world's great ports, ranking seventh in the world in container through-traffic. It is still home to patrician mansions and a music-loving people. In addition to opera, Hamburg is currently the venue of three hit musicals, each with a theater of its own.

Another, newer source of its wealth is based on the descendants of the gossiping traders – the reporters working for Spiegel, Stern and the city's other media houses. A building that was once the home of a major Hamburg newspaper was turned into one of Europe's most luxurious hotels in 1981. The Renaissance Hamburg Hotel's dark brick exterior harks back to its building's glorious past. Inside, travelers find office rooms as well as personnel providing all necessary business services. Travelers have their choice of 205 rooms and suites.

HEIDELBERG

Heidelberg may not be the oldest of Europe's storied university towns, but for the past 611 years of its history, it has been home to the most rousing of the Continent's institutions of higher education, in the opinion of generations of scholars, students and tourists. Heidelberg is perhaps at its most rousing in summer, although many of its 15,000 students are on vacation then.

High points are several summertime evenings, when fireworks are launched from the hilltop ramparts of the city's *Schloss*, or castle. In August, people attending the Festival

In a city known for scholars and scientists, the Renaissance Heidelberg Hotel offers a resort atmosphere on the Neckar River.

of the Castle are treated to world-class performing arts. The entire city and all of its hundreds of thousands of visitors are engulfed in displays of pageantry.

Guests at the Renaissance Heidelberg Hotel experience an additional pleasure. The resort-like hotel, with 251 rooms and suites, is located on the Neckar River, a few hundred meters away from the city's main train station.

To get downtown, visitors can stroll along the Neckar's tree-lined banks or take the river ferry, which docks at the hotel's own pier.

While enjoying the city's sights, two-thirds of the guests at the Renaissance are primarily in Heidelberg to experience – and profit from – a very different kind of excitement. Throughout Heidelberg's history, while its student princes caroused in the city's many *Kneipen* (pubs), its scientists have been hard at work in their laboratories, producing inventions that changed the world.

Today's inventions are saving lives by giving physicians ways to detect and treat heart attacks or tumors immediately and efficiently. Greater Heidelberg has become one of the world's centers of biomedical discovery. Many of the scientists, businesspeople and journalists flocking to the city learn of the newest biotechnologies at events held in the Renaissance's eight conference and meeting rooms.

A rousingly good offer from Renaissance Heidelberg Hotel: Easter in Heidelberg, 79.50 Deutsche marks (about $47) per person per night in a double room, including breakfast, from March 21 to April 2, 1997.

LEIPZIG

Capping five years of rapid growth, Leipzig's tourist arrivals and overnight stay figures rose by one-fifth in 1996. Those were the best figures among all of Germany's cities. This great and growing popularity might seem a bit puzzling. Leipzig does not have the Alps or an Oktoberfest or any of the other things that normally attract visitors in great droves.

"Our city does have a stirringly exciting present, and recent and distant past – and that's what the visitors come for," says Veit R. König, director of the Renaissance Leipzig Hotel.

All of Leipzig's attractions – with one major exception, the city's fairgrounds – are contained in a very small area. Although on opposite sides of the center city, the churches of St. Thomas and St. Nikolai are only a few hundred meters away from each other. For the past half-millennium, the former has had one of the world's great choirs. One of its cantors was Johann Sebastian Bach. More than 800 years old, the Church of St. Nikolai had its finest moment in the autumn of 1989. Its Monday "prayer evenings" triggered East Germany's nonviolent revolution, which brought down the country's communist dictatorship.

A few hundred meters to the south of St. Nikolai's is the Gewandhaus orchestra hall. One of the world's most celebrated orchestras, the Gewandhaus is led today by the renowned Kurt Masur, who followed in the footsteps of such conductors as Felix Mendelssohn-Bartholdy and Wilhelm Furtwängler. Mr. Masur's designated successor is Herbert Blomstedt, one of the world's celebrated conductors.

Between the churches is Leipzig's main, medieval square. Located in the arcades flanking it is Auerbachs Keller. In this subterranean inn, a local scholar, a certain Faust, was made an offer he should have refused. The author of the work knew the setting well. During his years of studying at the city's university, one of Europe's oldest and most famous, Johann Wolfgang von Goethe was an habitué of Auerbachs Keller.

The modernistic Renaissance Leipzig Hotel, a base for global travelers, is a favorite location for conferences and meetings.

The city's new 1.2 billion DM fairgrounds is a soaring vision in glass and light located between the downtown area and the fast-growing Leipzig-Halle airport. Large as it is, the fairgrounds is just one of hundreds of building projects in the Leipzig area, one of Europe's most rapidly developing regions.

One of these recently completed buildings is the Renaissance Leipzig Hotel. As modernistic as the fairgrounds, this sparkling and opulent hotel is located within easy walking distance of all the city's main attractions. The modernism extends to the hotel's 356 rooms and suites, each of which is equipped with ISDN and other data-transmission linkups.

The Renaissance Leipzig Hotel has 17 conference and meeting rooms, which seems a very large number. "Actually, when one considers Leipzig's special circumstances, it's not large at all," says Mr. König. "Many companies are busy training personnel for their new operations in Eastern Germany and Eastern Europe, or are producing products and services in the region. Our conference and meeting rooms get a lot of this 'new market business.' In addition, quite a few trade-related events are staged here."

In the city of enlightenment, Renaissance has a special weekend offer, valid from May 8 to July 13, involving the "artist of light": two nights (including breakfast) in the Renaissance Leipzig Hotel, a tour of the city, a ticket to the blockbuster Paul Klee exhibition at the city's Museum of the Visual Arts and a gala dinner, all for 248 DM per person in a double room. •

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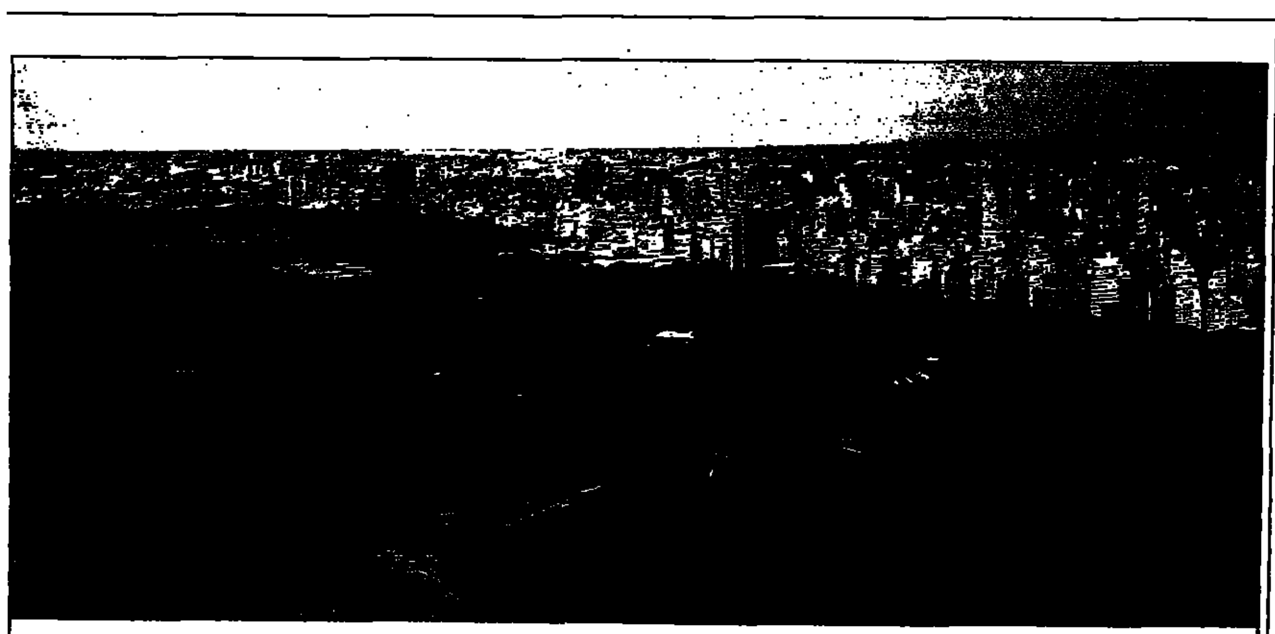

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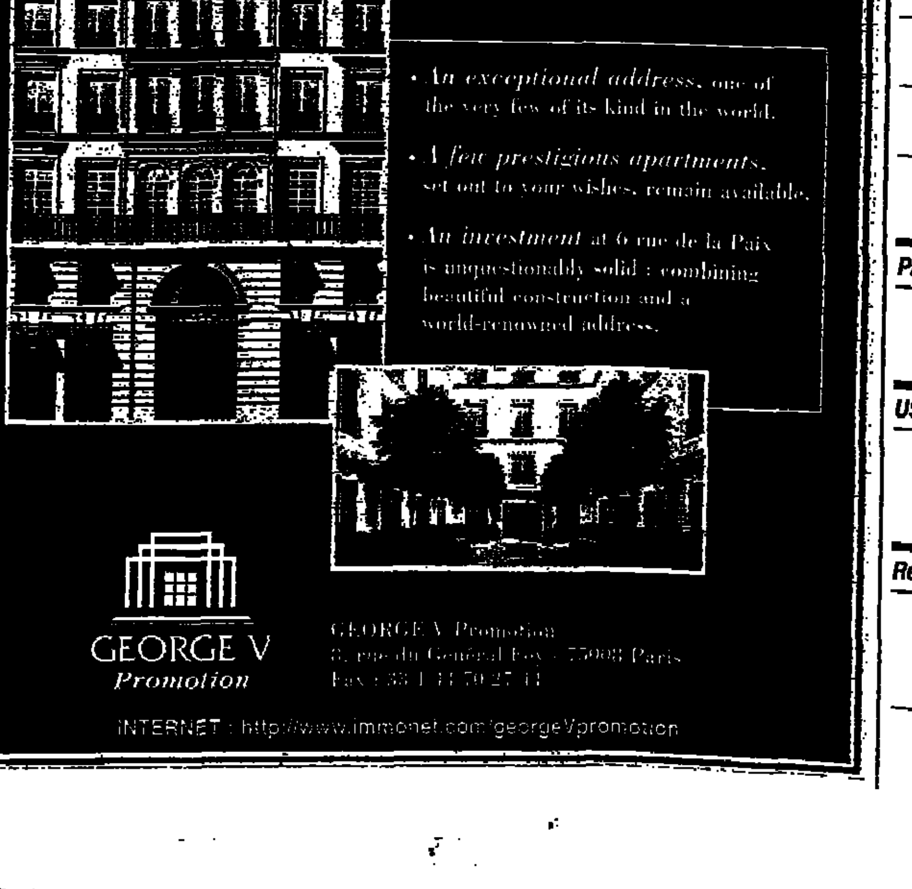
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NASDAQ

Thursday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NYSE

Thursday's 4 P.M. Close

(Continued)

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

WORLD ROUNDUP

1999 Championships Awarded to Seville

ATHLETICS Seville was selected Thursday by the International Amateur Athletic Federation to be host to the 1999 World Championships, two weeks after being spurned in its bid to land the 2004 Summer Olympics.

The 27-member IAAF Council opted for the Spanish city over three other contenders: Stanford, California; New Delhi, and Helsinki.

"We are of course very pleased, because over the last eight years we have been organizing almost any athletics event we could, and now we have the biggest," said Jose Maria Odriozola, president of Spain's national athletics federation. Seville was host to the 1991 indoor championships.

The vote came on the first of two days of meetings in Turin, Italy, ahead of Sunday's World Cross Country Championships. *(AP)*

Scott Hamilton Diagnosed With Testicular Cancer

FIGURE SKATING The four-time world champion and 1984 Olympic gold medalist Scott Hamilton has been diagnosed with testicular cancer, his public-relations firm said.

Hamilton, 38, performed in Peoria, Illinois, on Sunday night, despite suffering from severe stomach pain during the last several weeks.

On Monday, Hamilton went to the Cleveland Clinic Foundation, where he underwent tests that confirmed a tumor in his lower abdomen caused by cancer cells within the testicle region.

"I feel 100 percent confident that I can overcome this disease and be back on the ice within a few months," Hamilton said.

Hamilton's doctors said that 70 percent to 80 percent of men with the condition were curable, and that the skater would begin chemotherapy immediately. *(AP)*

Morrison Is Arrested

BOXING The heavyweight Tommy Morrison was arrested early Thursday morning on suspicion of driving under the influence of alcohol.

The HIV-infected fighter retired last year and then announced in September that he was returning to the ring to raise money and awareness to fight AIDS.

Morrison, 28, who resides in Jay, Oklahoma, was pulled over at about 3 A.M. for speeding in Fort Scott, Kansas, the police said. He was booked into Bourbon County Jail and released. His arraignment in municipal court is scheduled for April 17. *(AP)*

Mentor to Skating's Stars Dies

Carlo Fassi Stricken at Championships in Lausanne

By Ian Thomsen
International Herald Tribune

LAUSANNE, Switzerland — The tacky, cloying music could be heard from the practice rink, across the pedestrian lane where the great Carlo Fassi lay dying.

For him, the sound might have been as comforting as aromas from the open door of a family kitchen. For us, the spectators, the music would cast his death as the final scene in a drama he spent his life trying to create. The epilog will come Friday afternoon, roughly 24 hours after his death, when his last pupil, Nicole Bobek, 19, skates to a 2-minute, 40-second snippet of Moiseyev in her short program at the World Figure Skating Championships.

"For this to happen to Carlo at the World Championships is uncanny," said Robin Cousins, who even through reddened eyes could see the spectacular relevance of Fassi's last act. Cousins, in 1980, became one of the four Olympic champions to be coached by Fassi. The others were Peggy Fleming and Dorothy Hamill of the United States and the late John Curry, a British compatriate of Cousins.

Fassi, 67, suffered a heart attack Thursday, apparently just before noon. About an hour after he was rushed to the hospital, Bobek appeared in the practice rink and skated to the music he had helped choose. She had been told he was suffering from stomach pains.

The ladies' competition — the emotional center of a sport that drifts between the ridiculous and the vital, none of it too complicated for the understanding of television — begins Friday, centered around the competition of the three Americans.

They were expected to contend for the three medals when the long program concludes Saturday afternoon. The favorite was Tara Lipinski, the 14-year-old U.S. champion of last month, whose presence in lipstick and makeup brings out the worst fears of many involved in the sport. Her main rival was to be Michelle Kwan, the defending world champion who, suddenly, has been made to seem nervous and elderly in comparison to Lipinski. Kwan is 16.

Then, when Fassi's world should have been mourning his passing, the death of a great coach was swept into the plot of a teenagers' opera.

Years ago, Bobek's father deserted her. She was enrolled in a youthful-offender program in Michigan after a conditional guilty plea for felony home invasion. She had bounced around from coach to coach after refusing to follow Fassi to Italy when he returned to his native home in 1990. He came back to the United States, to a reunion last August with Bobek, and he was greatly responsible for her appearance at these championships.

At the U.S. Nationals last month, wary of Bobek's back problems, Fassi had counseled her to remove all but four triple jumps from her long program.

Fassi was remembered for instilling confidence and independence in many of his skaters. He was one of the coaches who came to America after the 1961 plane crash that decimated the U.S. team.

"Personally, I would not have won an Olympic gold medal or been in contention for one if not for that man," Cousins said. Peggy Fleming, his first Olympic champion, said, "He saw your talent and brought it out of you so that you didn't come out looking like everybody else."

Bobek practiced a second time Thursday. This time she knew. Robin Cousins stood behind the boards, trying to take Fassi's place for her. Afterward, Bobek told reporters, "He always cared; he took the place of being a father for me." She then mentioned Fassi's widow, Christa. "From what I've heard," Bobek said, "one of Carlo's last words to Christa was to please be with me for the competition."

Cousins, speaking of Fassi's skaters, said: "Hopefully, they will take the passion he has left them, and it will drive them through the rest of the week."

On Thursday night, Bobek sat alongside Cornel Gheorghe of Romania, another of Fassi's skaters, as he waited for the judges' scores for his long program in the men's competition. They sat in front of the TV cameras like man and wife — married by the death of their coach.

After her second practice of the day, shortened to 20 minutes by the worst of circumstances, Bobek left the ice to the fellow competitors in her practice group. One of them was Lipinski, who continued on without any change of expression.

Over the next few minutes it became obvious that Lipinski was able to skate almost perfectly at 14 because, simply, she doesn't know any better. If she wins, she stands to make $2 million in endorsements and other commercial opportunities in the year leading up to the Olympics.

"Our sport has always been the glamour sport," said Michael Rosenberg, who has been manager to Hamill, Tonya Harding and Oksana Baiul, the defending Olympic champion.

"If we become a sport of little girls doing little jumps, instead of glamorous young women, we will lose a gigantic proportion of our appeal. But then, Tara Lipinski could be exceptional."

As that practice wore on, the music stopped and a man's voice was heard. An announcement: "Music from the free program of Nicole Bobek, USA." A selection from Giselle was played, and the other four skaters moved to the sideboards coincidentally.

For a few blaring notes the ice was empty of movement. Then, one by one, each of them came back out skating backwards.

Ruben Sprich/Reuters
Oleg Ovsyannikov and Anjelika Krylova of Russia, ice dancing Thursday.

■ **Russians Lead in Ice Dancing**

Oksana Gritschuk and Yevgeni Platov of Russia continued on their way to their fourth consecutive world ice dance title at the World Figure Skating Championships Thursday, The Associated Press reported from Lausanne.

Gritschuk and Platov won the original dance and moved into a solid lead in the ice dance with a romantic tango that counted for 30 percent of the score.

On Wednesday night, Mandy Woetzel and Ingo Steuer of Germany took the pairs title. Second place went to Marina Yeltsova and Andrei Bushkov of Russia, with Oksana Kazakova and Artur Dmitriev, also of Russia, third.

For Juventus, Easy Victory as an Era Approaches Its End

By Peter Berlin
International Herald Tribune

TURIN, Italy — Juventus strolled into the semifinals of the European Cup with an easy victory that offered little excitement but did carry the nostalgic air of the end of an era.

The defending champion was too strong for Rosenborg, the surprise quarterfinalist from Norway. The two teams had drawn, 1-1, in the first leg at Trondheim, so Juventus needed only to win by one goal.

Juventus got what it needed after 25 minutes, when Joern Jamtfall, the Rosenborg goalkeeper, hammered a clearance against Zinedine Zidane, a Juventus midfielder, who was minding his own business just outside the penalty area. The ball hit Zidane and bobbled and rolled 20 yards back into the Trodheim Goal. After that, Juventus kept the game moderately interesting by failing to gain a second goal until the very last minute, when Nicolo Amoruso scored from a penalty.

Juventus will face Ajax Amsterdam, the team it beat in last year's final, in the semifinals. Manchester United is to play Borussia Dortmund

THE EUROPEAN CUP

in the other game. It is a fittingly strong final four in the last season before Europe's most prestigious club competition sells what is left of its virginity.

For 40 years, the European Cup, also known as the Champions Cup, has been for the previous year's national champions only, with the exception that the cup holder — this year, Juventus — defends its trophy even if it failed to win its domestic league in year it won the cup.

UEFA, the governing body of European soccer, has restricted the competition to keep out the champions of weaker — and less wealthy — soccer nations, allowing it to replace some of the earlier knock-out rounds with a subset of the Champions Cup called the Champions League, a vacuous competition that guarantees the last 16 teams — and their national television stations — at least six European games.

Starting next season, UEFA will admit to the Champions Cup the second-place teams from the domestic leagues of the strongest — that is richest — nations. The Champions Cup will thus no longer be made up solely of champions.

This year's semifinals include two clubs, Juventus and Manchester United, which have been long defined by their sometimes tragic struggles to win the European Cup. Their national rivals, Liverpool and AC Milan, have both won their share.

United's young team was poised to challenge Real Madrid for European dominance when, returning from a victory in Belgrade, its plane crashed at Munich airport in 1958. Nine years later, United, managed by one Munich survivor, Matt Busby, and inspired on the field by another, Bobby Charlton, finally won the European Cup.

Juve's wait was even longer. It finally won the European Cup in 1985. But that triumph forever carries a black cross beside it. Juventus beat Liverpool at the Heysel Stadium in Brussels in a match played after 39 Juventus fans died fleeing Liverpool fans in the stadium just before the scheduled kick off. It was 11 more years before Juventus could lift the trophy with genuine joy, after it beat Ajax in Rome last year.

After Newcastle limped out of the UEFA Cup at Monaco on Tuesday night, David Batty, its abrasive midfielder, said: "We probably can't win the league, but we could come second and that would mean a place in the Champions League."

Reuters
Right-hander Hideki Irabu arriving Thursday in Tokyo.

Irabu Gone (for Now), Padres' Deal-Making Drags On

By Murray Chass
New York Times Service

TAMPA, Florida — Keeping his word, Hideki Irabu left Los Angeles for Japan, but the San Diego Padres were betting that he would be back. If not, the Padres stand to lose the lucrative package they want for the Japanese pitcher who doesn't want to play for them.

Irabu, a highly desirable hard-throwing right-hander, took All Nippon Airways Flight 5 on Wednesday, a day after his self-imposed deadline for the Padres to trade his rights to the Yankees. While he flew into an uncertain future, the future was just as uncertain for the Padres, who have exclusive rights to Irabu under a working agreement with his Japanese team.

The Padres have most recently been negotiating seriously with three teams in addition to the Yankees. At least two of the teams, the Mets and the Baltimore Orioles, have offered the Padres players who are more attractive than the Yankees have offered.

One person familiar with the Orioles' efforts said they had enhanced their proposed package for Irabu, substituting one outfielder, Tony Tarasco, for another, Jeffrey Hammonds, and one pitcher, Alan Mills, for another, Jimmy Haynes. The Yankees have resisted including in their package Ricky Ledee, the young outfielder the Padres have sought.

The continued negotiations may be fruitless if Irabu follows through on his stated intention to sit out the 1997 season now that he has gone home. Nothing would stop the 27-year-old from coming back to the United States to play except his word. And so far he has kept his word, refusing to sign with the Padres and leaving once his deadline came and went.

Irabu would be more likely to make the return trip if the Padres traded his rights to the Yankees. If he gave up a chance to play major league baseball, either for the Yankees or another team, the pitcher would forgo a potentially lucrative contract, would lose a critical year out of what could be viewed as the prime of his career and would have no guarantee that he would become a free agent next January, as his agent, Don Nomura, contends.

The Padres would be losers, too. They might still hold rights to Irabu, but theirs would be an empty possession. They would gain neither the players who have been offered or the several million dollars that could have been theirs. The Padres could use that money later in the season, when they look elsewhere for a player to help them secure the National League West championship or the wild-card slot in the playoffs.

It is not clear why the Padres have not made a deal. Larry Lucchino, their president, has said the nature of the elements involved make a deal more complex than most. But he also said, "It's gone on long enough for us to get a feel of the clubs that are interested."

The Padres could find they overplayed their hand.

Irabu, on the other hand, may find a year from now that he cannot be a free agent, as Nomura contends he should be. Under Japanese rules, a player who sits out a year is considered to be voluntarily retired and thus free from his team's reserve list.

But Japanese baseball officials have said that Irabu will not be a free agent. They have said his case is different because the Chiba Lotte Marines gave his rights to the Padres. If the case goes to next January — Nomura said Irabu should be a free agent Jan. 9 — and the major league executive council continues the Padres' right to exclusivity, the players association will certainly challenge that position through a grievance.

At least one other possibility exists. Irabu could return to the United States and play this season in an independent minor league. Bill Murray, executive director of baseball operations in the commissioner's office, said that because the independent leagues are not affiliated with Major League Baseball, they can sign any player they wish.

SCOREBOARD

BASEBALL

Exhibition Baseball

WEDNESDAY'S GAMES

Los Angeles 9, Cincinnati (ss) 2
Florida 5, Montreal 4
Philadelphia 9, Cleveland 3
Houston 7, Detroit 5
Texas 3, Boston 0
Oakland 16, San Francisco 7
Seattle 13, San Diego 12
Minnesota 12, Chicago White Sox 10
Cincinnati (ss) 10, Pittsburgh 6
Milwaukee 8, Colorado 3

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION	W	L	Pct	GB
x-Miami	49	17	.742	—
x-New York	49	18	.731	½
Orlando	36	29	.554	12½
Washington	32	34	.485	17
New Jersey	20	45	.308	28½
Philadelphia	17	49	.258	32
Boston	13	55	.191	37
CENTRAL DIVISION				
x-Chicago	57	9	.864	—
Detroit	47	19	.712	10
Atlanta	45	22	.672	12½
Charlotte	43	24	.642	14½
Cleveland	35	30	.538	21½
Indiana	31	35	.470	26
Milwaukee	27	38	.415	29½
Toronto	25	42	.373	32½

WESTERN CONFERENCE

MIDWEST DIVISION	W	L	Pct	GB
x-Utah	50	17	.746	—
x-Houston	44	22	.667	5½
Minnesota	33	33	.500	16½
Dallas	22	43	.338	27
Denver	19	46	.292	30
San Antonio	16	49	.246	33
Vancouver	11	58	.159	40
PACIFIC DIVISION				
x-Seattle	45	20	.692	—
x-L.A. Lakers	44	21	.677	1
Portland	39	28	.582	7
L.A. Clippers	29	36	.446	16
Sacramento	28	39	.418	18
Phoenix	27	39	.409	18½
Golden State	25	41	.379	20½

x-clinched playoff spot:

WEDNESDAY'S RESULTS

Utah	30	34	36	13—	113
Boston	28	23	21	28—	100

U: Malone 13-18 6-6 32, Hornacek 5-10 0-0 11; B: Walker 8-16 5-5 22, Williams 5-8 12-15 22. Rebounds—Utah 55 (Malone 12), Boston 47 (Walker 8). Assists—Utah 29 (Stockton 10), Boston 18 (Wesley 6).

New York	27	26	25	33—	111
Philadelphia	22	27	23	28—	100

N.Y.: Ewing 11-21 8-11 30, Johnson 8-14 5-5 21, Starks 7-14 4-4 21; P: Coleman 11-21 3-4 25, Iverson 9-24 1-2 22. Rebounds—New York 48 (Ewing 13), Philadelphia 50 (Coleman 13). Assists—New York 27 (Starks 6), Philadelphia 22 (Iverson 8).

Cleveland	18	21	18	15—	72
Charlotte	32	19	19	20—	90

C: Ferry 6-14 0-0 13, Phills 5-12 2-3 13, C: Rice 8-20 6-7 22, Divac 6-10 4-4 16, Mason 7-9 2-3 16. Rebounds—Cleveland 36 (Phills 7), Charlotte 51 (Mason 14). Assists—Cleveland 15 (Sura 4), Charlotte 26 (Divac, Bogues 7).

Toronto	21	24	29	25—	99
Detroit	27	18	25	27—	97

T: Camby 11-22 5-8 28, Christie 6-13 0-0 18; D: Thorpe 7-12 7-9 21, Mills 6-11 6-6 20. Rebounds—Toronto 53 (Camby 14). Detroit 36 (Thorpe 6). Assists—Toronto 26 (Christie 7), Detroit 23 (Dumars, Hill 8).

Indiana	24	25	22	24—	95
Atlanta	31	34	21	21—	107

I: Miller 6-15 2-3 18, A.Davis 8-13 1-1 17; A: Smith 8-14 7-8 23, Blaylock 6-16 4-4 21. Rebounds—Indiana 45 (A.Davis, Smits 7), Atlanta 47 (Mutombo 18). Assists—Indiana 19 (Best 5), Atlanta 24 (Blaylock 9).

Golden State	25	25	19	15	7—	91
Miami	20	26	13	25	9—	93

G.S.: Sprewell 9-19 7-9 27, Price 9-13 3-3 24; M: Mashburn 9-22 9-12 29, Brown 9-13 1-2 19. Rebounds—G.S. 56 (Marshall 11), Miami 54 (Mashburn, Brown 10). Assists—Golden State 11 (Sprewell 5), Miami 20 (Hardaway 9).

Vancouver	16	17	18	21—	72
Minnesota	23	32	22	18—	95

V: Abdur-Rahim 6-16 3-4 15, Peeler 4-12 1-1 10; M: J.Robinson 7-9 0-2 18, Mitchell 6-11 5-6 17. Rebounds—Vancouver 39 (Chilcutt 6), Minnesota 65 (Garrett 11). Assists—Vancouver 17 (Mayberry 5), Minnesota 27 (J.Robinson, Gugliotta 8).

Sacramento	26	29	17	26—	98
L.A. Clippers	22	32	22	32—	108

S: Richmond 10-28 7-8 29, Williamson 7-10 5-8 19; L.A. CLIPPERS: Sealy 8-16 9-9 27, Rogers 4-8 9-10 17. Rebounds—Sacramento 50 (Smith 13), Los Angeles 51 (Vaught 12). Assists—Sacramento 15 (Smith 4), Los Angeles 19 (Barry, Dehere 4).

National Invitation Tournament

THIRD ROUND

Florida State 76, West Virginia 71
Arkansas 86, UNLV 73

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION	W	L	T	Pts	GF	GA
x-Philadelphia	40	21	10	90	242	187
x-New Jersey	38	20	13	89	200	163
Florida	32	24	16	80	196	175
N.Y. Rangers	33	30	9	75	233	205
Washington	28	35	8	64	181	199
Tampa Bay	27	36	7	61	188	220
N.Y. Islanders	25	36	10	60	199	212
NORTHEAST DIVISION						
Buffalo	37	22	11	85	210	178
Pittsburgh	33	30	7	73	243	236
Montreal	26	32	14	66	220	249
Hartford	27	33	10	64	193	219
Ottawa	23	33	14	60	193	206
Boston	24	39	9	57	207	258

WESTERN CONFERENCE

CENTRAL DIVISION	W	L	T	Pts	GF	GA
x-Dallas	42	23	6	90	222	173
Detroit	34	21	15	83	225	166
Phoenix	33	34	5	71	206	220
St. Louis	30	32	9	69	209	218
Chicago	28	31	12	68	186	180
Toronto	26	39	6	58	207	244
PACIFIC DIVISION						
x-Colorado	44	18	9	97	244	173
Edmonton	33	32	7	73	224	216
Anaheim	30	30	11	71	209	203
Calgary	31	34	8	70	195	204
Vancouver	29	38	4	62	220	244
Los Angeles	25	38	9	59	190	239
San Jose	23	40	7	53	179	235

x-clinched playoff spot:

WEDNESDAY'S RESULTS

Florida	0	1	3—	4
N.Y. Islanders	2	3	2—	7

First Period: New York, Palffy 38 (Smolinski, Reichel) 2, New York, Reichel 17 (Plante) Second Period: New York, Green 19 (Lachance, Bertuzzi) (pp). 4, New York, Plante 3 (Palffy) (sh). 5, F-, Nemirovsky 5 (Jovanovski, Hough) 6, New York, Wood 4, (sh). Third Period: F-Dvorak 16 (Carkner) 8, New York, Bertuzzi 7 (Green) (pp). 9, F-Warrener 3 (Nemirovsky, Carkner) 10, F-Nemirovsky 6 (Hough, Wells) 11, New York, Palffy 39 (Reichel, Smolinski) (en). Shots on goal: F- 8-9-10—27. New York 5-8-10—23. Goalies: F-Fitzpatrick. New York, Salo.

Montreal	2	1	2—	5
N.Y. Rangers	0	3	1—	4

First Period: M-Savage 23 (Popovic). 2, M-, Quintal 6 (Savage, Recchi) Second Period: New York, Courtnall 10 (Karpovtsev, Messier) (pp). 4, New York, Graves 30 (Messier, Courtnall) (pp). 5, M-Brunet 9 (Damphousse, Corson) (pp). 6, New York, Gretzky 21 (Sundstrom, Berg) Third Period: M-Rucinsky 24 (Damphousse, Bure) 8, New York, Leetch 19 (Flatley, Eastwood) 9, M-, Damphousse 24 (Bure, Rucinsky) Shots on goal: M- 15-14-10—39. New York 10-11-9—30. Goalies: M-Thibault. New York, Richter.

New Jersey	0	1	1	0—2
Washington	1	1	0	0—2

First Period: W-Cote 5 (Miller, Bondra) Second Period: N.J.-Zelepukin 13 (Gilmour, Niedermayer) 3, W-Pivonka 7 (Bondra) Third Period: N.J.-Gilmour 21 (Andreychuk, Niedermayer) (pp). Overtime: None. Shots on goal: N.J.- 12-10-7-2—31. W- 14-11-4-1—30. Goalies: N.J.-Brodeur. W-Ranford.

Philadelphia	1	1	4—	6
Toronto	1	1	1—	3

First Period: T-Convery 1 (Kypreos, Macoun) 2, P-Lindros 25 (Coffey) Second Period: T-Cooper 3 (Convery, Zettler) 4, P-Renberg 19 (LeClair, Lindros) Third Period: T-Berezin 27 (Sundin) 6, P-Lindros 25 (Renberg, LeClair) 7, P-, Lindros 26 (Renberg) 8, P-Renberg 20 (Desjardins, Lindros) 9, P-Lindros 27 (LeClair, Hextall) (en). Shots on goal: P- 15-10-17—42. T- 8-13-7—28. Goalies: P-Hextall. T-Potvin.

Boston	1	0	0—	1
Detroit	0	2	2—	4

First Period: B-Roy 6 (Stumpel, Allison) (pp). Second Period: D-Murphy 8 (Lidstrom, Hodson) (pp). 3, D-Larionov 11 (McCarty, Konstantinov) Third Period: D-Ward 2 (Larionov) 5, D-, Larionov 12 (Konstantinov, McCarty) Shots on goal: B- 9-3-2—14. D- 8-10-12—30. Goalies: B-Carey. D-Hodson.

Phoenix	0	2	0—	2
Dallas	4	2	1—	7

First Period: D-Reid 16 (Bassen, Hatcher) 2, D-Adams 18 (Sydor, Modano) 3, D-Nieuwendyk 28 (Hogue, Langenbrunner) 4, D-Sydor 8 (Modano) Second Period: Phoenix, Tkachuk 42 (Finley) (sh). 6, D-Nieuwendyk 29 (Verbeek, Adams) 7, Phoenix, Roenick 23 (Drake, Ronning) (pp). 8, D-Harvey 8 (Modano, Broten) Third Period: D-Broten 8 (Modano, Hatcher) (sh). Shots on goal: Phoenix 9-11-5—25. D- 11-12-7—30. Goalies: Phoenix, Khabibulin, Jablonski. D-Irbe.

San Jose	0	1	1—	2
Calgary	1	1	2—	4

First Period: C-Stillman 4 (Iginla, McInnis) Second Period: S.J.-Granato 20 (Sutter, Nazarov) 3, C-Fleury 27, (sh). Third Period: S.J.-Guolla 11 (Rathje, Peltonen) 5, C-Hoglund 19 (Gagner, Hulse) 6, C-Fleury 28. Shots on goal: S.J.- 2-6-5—13, C- 17-8-9—34. Goalies: S.J.-Belfour. C-Kidd.

Tampa Bay	1	0	0—	1
Edmonton	1	0	2—	3

1st Period: E-Grier 14 (McGillis, Weight) (pp). 2, T-Zamuner 14 (Andersson) (sh). 2nd Period: None. 3rd Period: E-Buchberger 7 (Marchant) 4, E-Czerkawski 24 (Grier, Murray) Shots on goal: T- 12-15-7—34, E- 6-7-12—25. Goalies: T-Taborracci. E-Joseph.

Los Angeles	1	1	0—	2
Anaheim	2	1	3—	6

1st Period: A-Drury 9 (Janssens, Karpa) 2, Los Angeles, Stevens 13 (R.Vopat, Blake) 3, A-Mironov 12 (Kariya, Van Impe) (pp). 2nd Period: A-Selanne 44, 5, L.A.-, Ferraro 24 (Tsyplakov, Murray) 3d Period: A-Park 1 (Baumgartner, Trebil) 7, A-Van Impe 4 (Selanne, Mironov) (pp). 8, A-, Selanne 45 (Rucchin, Mironov) Shots on goal: L.A.- 11-16-8—35. A- 17-10-10—37. Goalies: L.A.-Dafoe. A-Hebert.

CRICKET

SRI LANKA TOUR
DAY/NIGHT 1-DAY MATCH
CENTRAL DISTRICT VS. SRI LANKA
THURSDAY, IN NAPIER, NEW ZEALAND

Central Districts: 227 in 50 overs
Sri Lanka: 228 for four in 43.3 overs.
Sri Lanka won by six wickets

SKATING

World Championship

LAUSANNE, SWITZERLAND
PAIRS

Final standings:

1. Mandy Woetzel/Ingo Steuer, Germany 1.5
2. Marina Eltsova/Andrei Bushkov, Russ. 3.0
3. Oksana Kazakova/Artur Dmitriev, Russ. 6.0
4. Kyoko Ina/Jason Dungjen, U.S. 6.5
5. Jenni Meno/Todd Sand, U.S. 7.0
6. Kristy Sargeant/Kris Wirtz, Canada 10.0
7. Sarah Abitbol/Stephane Bernadis, Fra. 10.5
8. Dorota Zagorska/Mariusz Siudek, Pol. 13.5
9. Elena Berezhnaia/A.Sikharulidze, Russ. 13.5
10. Peggy Schwarz/Mirko Mueller, Ger. 14.5
11. Shen Xue/Zhao Hongbo, China 16.0
12. Mariana Khalturina/A. Kroukov, Kaz. 16.0
13. Silvia Dimitrova/Rico Rex, Germany 19.0
14. M-C. Savard-Gagnon/L. Brodet, Can. 21.5
15. S. Stiegler/John Zimmerman, U.S. 21.5

DANCE

Standings after original dance tango:

1. Oksana Gritschuk/E. Platov, Russ. 1.0
2. Anjelika Krylova/O. Ovsiannikov, Russ. 2.0
3. Shae-Lynn Bourne/V. Kraatz, Can. 2.8
4. Sophie Moniotte/Pascal Lavanchy, Fr. 4.2
5. Marina Anissina/Gwendal Peizerat, Fr. 4.8
6. Elisabeth Punsalan/J. Swallow, U.S. 6.0
7. Irina Lobacheva/Ilya Averbukh, Russ. 7.0
8. Irina Romanova/Igor Yaroshenko, Uk. 8.0
9. Margarita Drobiazko/P. Vanagas, Lith. 9.2
10. Barbara Fusar-Poli/M. Margaglio, It. 9.8
11. Sylwia Nowak/S. Kolasinski, Pol. 11.4
12. Katerina Mrazova/M. Simecek, Czech 11.6
13. Kati Winkler/Rene Lohse, Ger. 13.2
14. Tatjana Navka/N. Morozov, Belarus, 13.8
15. Elizaveta Stekolnikova/Dmitri Kazarlyga, Kazakhstan, 15.0

SOCCER

WORLD CUP QUALIFIERS
ASIAN ZONE, GROUP 1
THURSDAY, IN KUALA LUMPUR

Saudi Arabia 4, Bangladesh 1
Malaysia 2, Taiwan 0

Standings: Malaysia 7 points, Saudi Arabia 7, Taiwan 3, Bangladesh 0.

INTERNATIONAL FRIENDLY
WEDNESDAY, IN VALLETTA

Malta 1, Hungary 4

ENGLISH PREMIER LEAGUE

Chelsea 1, Southampton 0
Leicester 1, Tottenham 1
Middlesbrough 2, Blackburn 1

Standings: Manchester United 60, Liverpool 57, Arsenal 57, Newcastle 51, Chelsea 49, Sheffield Wednesday 48, Aston Villa 47, Wimbledon 45, Leeds 40, Tottenham 39, Leicester 38, Blackburn 36, Everton 36, Derby 32, Sunderland 32, West Ham 30, Coventry 30, Nottingham Forest 29, Middlesbrough 28, Southampton 26.

EUROPEAN CUP
QUARTERFINALS, RETURN LEG

Juventus, Italy 2, Rosenborg, Norway, 0
(Juventus win 3-1 on aggregate)
Atletico Madrid, Spa., 2, Ajax, Netherlands 3
(Ajax win 4-3 on aggregate)
Auxerre, France, 0, Bor. Dortmund, Ger., 1
(Borussia win 4-1 on aggregate)
Porto, Portugal, 0, Manchester U., England, 0
(Manchester win 4-0 on aggregate)

TRANSITIONS

FOOTBALL
NATIONAL FOOTBALL LEAGUE

ARIZONA—Released QB Boomer Esiason.
ATLANTA—Signed DE Todd Kelly and CB Derek Grier. Signed RB Gary Downs and QB Billy Joe Tolliver to 1-year contracts.
DALLAS—Re-signed FB Daryl Johnston to 5-year contract.
DENVER—Signed OLB Justin Dragoo. Exercised the option on DT Jumpy Geathers.
DETROIT—Re-signed LB Tom Beer. Signed S Harry Colon.
KANSAS CITY—Signed QB Elvis Grbac to 5-year contract.
GREEN BAY—Re-signed WR Don Beebe. Signed OT Marcus Spears.
MIAMI DOLPHINS—Agreed to terms with CB Corey Harris on 3-year contract. Re-signed DE Daniel Stubbs to 3-year contract.
NEW YORK JETS—Signed CB Jerome Henderson and QB John Paci.
ST. LOUIS—Signed LB Michael Jones. Released P Sean Landeta.
SAN DIEGO—Agreed to terms with DT Rouben Davis on 4-year contract.

SOCCER
U.S. SOCCER

UNITED STATES SOCCER FEDERATION—Named Donna de Varona 1999 FIFA Women's World Cup organizing committee chairwoman.

Super Mario on Ice

Lemieux May Be Saying Farewell

Vantage Point/**Dave Anderson**

New York Times Service

On his first shot on his first shift in his first game for the Pittsburgh Penguins in 1984, he scored a goal. But sometime soon Mario Lemieux might be taking his last shot on his last shift in his last game. Don't be surprised if he scores.

With 105 points, including 44 goals, he's almost sure to win his sixth National Hockey League scoring title. But he keeps saying this is "probably" his last season. Some think it's not definite only because he doesn't want the fuss of a farewell tour.

Most of the great ones don't depart at the top of their game, or anywhere near it. Joe DiMaggio, Jim Brown and Rocky Marciano were the exceptions. And now Super Mario.

He's only 31, and whenever he's on the ice, he's still hockey's best player. But he's a battered 31. He needed radiation treatments early in 1993 for Hodgkin's disease. Six months later he needed back surgery for a second time, which led to his missing the 1994-95 season before he returned to lead the league in scoring a year ago.

He's entitled to not want to be battered any more. But that doesn't lessen hockey's loss.

If it's your last look at Super Mario, take a good look because he's one of the gods of the game, up there with Gordie Howe and Bobby Orr and Wayne Gretzky.

"Mario and Wayne, they're two different types," said Jacques Lemaire, the New Jersey Devils' coach. "One smaller and niftier, the other very smooth. I tell my players, 'You can't give Mario too much room. You want to reduce his time. Make him pass it a little quicker.'"

But even if he is forced to pass the puck, take a good look. If you can. "Sometimes," said Lemaire, "it's like he makes the puck disappear, then it would reappear on somebody else's stick."

Lemaire was in Montreal when Lemieux, then 18, was in his final season with Laval of the Quebec Junior Hockey League. "Some nights when he wanted to play," Lemaire recalled, "he would score four, five goals."

When Lemieux scored 133 goals in 70 games and 29 more in 14 playoff games in his final season at Laval, the Penguins, then the NHL's worst team, drafted him No. 1.

In addition to helping win the Stanley Cup in 1991 and 1992, he is the only player to have won five different trophies — three Hart (Most Valuable Player), two Smythe (MVP in the playoffs), Ross (scoring title, and probably a sixth this year), Calder (rookie of the year) and Masterson (perseverance, sportsmanship and dedication).

"If you just see highlights, you might think he's lucky," said Ulf Samuelsson, the New York Ranger defenseman who was once Lemieux's Penguin teammate. "But if you see him every day, you know it's his overall skill. He can skate, shoot and stick-handle. And more than anything else, it's his vision, he's a step ahead."

Over the years John Vanbiesbrouck, the Florida Panthers' goaltender, has fished 27 Lemieux goals out of the net. "He's got me more than any other goaltender," Vanbiesbrouck said. "He's got the wing span of an albatross. For a big man, it's amazing how quickly he can react."

With 607 goals and 1,477 points, Lemieux should be sixth in both career categories by the end of the season. But as he nears the last shift of his last game, the big question will never be answered: How many goals and points might he have accumulated if he weren't so battered?

Malone Leads the Band

The Associated Press

Karl Malone became the 10th-biggest scorer in NBA history, scoring 32 points as the Utah Jazz cruised to a 113-100 victory over the host Boston Celtics.

Malone has 25,200 points, eight more than Jerry West and 413 fewer than Alex English.

The Jazz, who finished their seven-game eastern road trip with a 6-1 record, have rolled to the NBA's second-

NBA Roundup

best record and the best one in the Western Conference. Much of the credit goes to Malone, who has averaged 34.7 points in the last four games.

The Celtics, with 22 losses in their last 24 games, have the NBA's second-worst record and showed why in two stretches Wednesday night — a 13-0 Utah run late in the second period and a 12-0 surge to start the third.

Knicks 111, 76ers 100 Patrick Ewing had 30 points and 13 rebounds as New York beat host Philadelphia. New York has won nine of 11, but its two losses came against sub-.500 teams, the Dallas Mavericks and the New Jersey Nets.

Hornets 90, Cavaliers 72 In Charlotte, Glen Rice had 22 points and Anthony Mason added 16 points and 14 rebounds as the Hornets avenged their worst loss of the season.

Vlade Divac had 16 points, seven assists, six rebounds and five blocks for the Hornets, who lost 106-73 to the Cavaliers in Cleveland on Jan. 25, in the most lopsided game of the season for both teams.

Raptors 99, Pistons 97 Marcus Camby scored 13 of his 28 points in the fourth quarter to lead visiting Toronto to an upset over Detroit.

Hawks 107, Pacers 95 Dikembe Mutombo had 18 points and 18 rebounds to lead Atlanta over Indiana. Steve Smith finished with 23 points, and Mookie Blaylock had 21 points and nine assists for Atlanta, which improved to 29-4 at home.

Heat 93, Warriors 91 P.J. Brown had three dunks in overtime, and Miami overcame a 15-point third-quarter deficit to beat visiting Golden State.

Jamal Mashburn paced Miami with 29 points.

Timberwolves 95, Grizzlies 72 In Minneapolis, the Timberwolves ran off 20 unanswered points in the second quarter and led by as many as 29 down the stretch as they sent Vancouver to its 15th straight loss.

Clippers 108, Kings 98 Malik Sealy scored 16 of his 27 points in the final 7:41 as the Clippers strengthened their hold on a playoff spot with a victory that extended Sacramento's losing streak to seven games.

Ray Stubblebine/Reuters

The Canadiens' Scott Thornton, left, and the Rangers' Darren Langdon trading blows in their game in New York.

Ex-Flame Fires Up the Islanders

By Vincent M. Mallozzi
New York Times Service

UNIONDALE, New York — It took Robert Reichel all day to get from Calgary to New York, but just 87 seconds to get into the hearts of Islander fans.

Reichel, who was traded Tuesday from Calgary to the Islanders in a deal that sent Marty McInnis to the Flames, had a tougher time getting through immigration than he did the Florida defense. He had one goal and two assists Wednesday night in helping his new teammates defeat the Panthers, 7-4.

Florida outshot the Islanders, 28-23, and scored three third-period goals against Tommy Salo. But neither of those statistics reflected New York's territorial dominance.

Reichel, 25, a native of the Czech Republic who twice scored 40 goals for Calgary, looked at home during his first shift as an Islander. He assisted on a goal by Zigmund Palffy — whose two goals Wednesday night gave him 39 for the season — to give the Islanders a 1-0 lead.

The new kid in town was just getting started.

With 2 minutes 3 seconds left in the first period, Reichel sneaked ahead of the usually tight Florida defense, took a long pass from teammate Dan Plante just inside center ice and made a swift dash toward the Panthers' goaltender, Mark Fitzpatrick. As Fitzpatrick leaned to his left for a split second, Reichel rifled a wrist shot to the right to give the Islanders a 2-0 advantage, and a wave of momentum they rode until the final horn.

As Reichel skated past the Islander bench, pounding gloves with each of his

NHL Roundup

new teammates, many of the 11,139 spectators, most of whom are not used to seeing offensive fireworks at Nassau Coliseum, rose and cheered wildly.

In other games, The Associated Press reported:

Flyers 6, Maple Leafs 3 Eric Lindros scored four goals and added two assists to power visiting Philadelphia over Toronto. Two of Lindros's goals came within a 72-second span in the third period. Lindros's linemate, Mikael Renberg, had the other two Philadelphia goals.

Stars 7, Coyotes 2 Joe Nieuwendyk scored twice and Mike Modano matched his career high with four assists as Dallas remained unbeaten at home in its last eight games. Greg Adams, Darryl Sydor and Neal Broten each had a goal and an assist.

Red Wings 4, Bruins 1 Igor Larionov had two goals and an assist, and Larry Murphy marked his Detroit debut with a goal as the Red Wings beat Boston.

Devils 2, Capitals 2 Washington extended its home unbeaten streak to five games as Bill Ranford stopped 29 shots and the Capitals tied the Devils. Martin Brodeur had 28 saves for New Jersey, which has clinched a playoff spot.

Canadiens 5, Rangers 4 Vincent Damphousse set up one goal and scored another in the third period as Montreal strengthened its playoff hopes with a victory over host New York.

Mighty Ducks 6, Kings 2 Teemu Selanne scored two goals, and Anaheim extended its league-leading unbeaten streak to 12 games with a victory over visiting Los Angeles.

Flames 4, Sharks 2 In Calgary, Jonas Hoglund's third-period goal snapped a tie and led the Flames over San Jose. Theoren Fleury scored two goals for Calgary earlier in the game.

Oilers 3, Lightning 1 Kelly Buchberger's seventh goal of the season, his 200th point in the National Hockey League, was the winning goal as Edmonton defeated visiting Tampa Bay. Mariusz Czerkawski added an insurance goal. Mike Grier had Edmonton's first goal, his 14th, in the first period.

Jim McMahon Says He's Retiring From NFL

The Associated Press

CHICAGO — Jim McMahon, the free-spirited quarterback who led the Chicago Bears to the 1986 Super Bowl title, is walking away from the National Football League with no other plans than to spend time with his family and play golf.

"I'm retiring," McMahon, 37, told The Chicago Tribune on Wednesday. "I know this is sad news for all my critics, but my family comes first.

"I'm ready to move on and do nothing except play golf and hang out with our four kids. They've seen the world, following me around. We love it here. They deserve to settle down in one home, and so does my wife, Saint Nancy."

McMahon, who threw only four passes last season as the backup quarterback for Green Bay, said he told the Packers' coach, Mike Holmgren, of his decision this week.

Holmgren released a statement Thursday saying he and McMahon had talked.

He added that when he asked the quarterback, "If I need you down the road, can we talk again?" McMahon replied, "Sure."

McMahon, a onetime Brigham Young University star, left Chicago in a trade with San Diego in 1989. He also has spent time with Philadelphia, Minnesota, Arizona and Cleveland.

Florida State And Arkansas Head for NIT Semifinals

The Associated Press

Kareem Reid is going home. The sophomore guard from the Bronx and his Arkansas teammates are headed for New York's Madison Square Garden and the semifinals of the National Invitation Tournament.

They earned the trip with an 86-73 victory over the University of Nevada/Las Vegas on Wednesday night in Fayetteville, Arkansas, and next week will play the winner of Thursday night's contest between Notre Dame and Michigan.

Florida State also won a trip to New York with a 76-71 victory over West Virginia.

Tarik Wallace hit three 3-pointers, Pat Bradley two and Glendon Alexander one as Arkansas outscored UNLV, 32-15, in an eight-minute span in the second half to overcome a 6-point UNLV advantage. Two baskets by Reid ended the spurt and made it 63-52.

UNLV (22-10) made four runs at Arkansas (18-12) during the final seven minutes, and Reid helped stifle three of the rallies.

It was 65-59 when he drove into the lane for a basket. It was 70-64 when he stole the ball and got it to Wallace, who hit a 3-pointer.

Wallace, who scored a career-high 20, was 1-of-3 on 3-pointers in the first half, but 4-of-7 in the second half. Bradley had 23, including 14 in the second half.

The Rebels had to be tired. On Monday night, they beat Hawaii in overtime and then left Las Vegas after 1 A.M. Some players flew to Dallas; others to Houston. They got together in Tulsa, Oklahoma, and arrived in Fayetteville after a two-hour ride in vans. They practiced Tuesday night after a few hours sleep.

Arkansas led by as many as eight in the first half, but the Rebels led 33-31 at the half on Keon Clark's fast-break basket.

UNLV was up 37-31 after 1:15 had elapsed in the second half. Alexander's two free throws and jumpers by Wallace and Bradley tied it.

A few moments later, Bradley gave a pump fake and stepped around his man for a 3-pointer and a 43-42 lead for the Rebels. Damian Smith got into the lane for a 12-footer (3.5-meters), and Wallace and Alexander made consecutive 3-pointers for a 49-44 lead.

UNLV had 24 turnovers, including 15 in the first half. Arkansas made a dozen in the first half, but only five in the second half.

"That was the biggest difference," said Arkansas's coach, Nolan Richardson. "It made a difference in the flow of the game for us. Once we get going, we have good outside shooters."

Florida State 76, West Virginia 71 James Collins scored 24 points, leading visiting Florida State past West Virginia into the NIT semifinals.

The Mountaineers (21-10), trailing by three in the final seconds, lost a last chance to win when Brent Solheim was called for an intentional foul with 2.9 seconds remaining. Randell Jackson, who finished with 19 points, made both free throws, and the Seminoles regained possession as time expired.

Florida State (19-11), playing in the postseason for the first time in four years, will face the winner of Friday's Connecticut-Nebraska game next week in the semifinals in New York.

DENNIS THE MENACE

"HE'S ONE OF THE REASONS YOU DON'T SEE MANY WELCOME MATS IN THE NEIGHBORHOOD."

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

HYBUS

TAIMY

THOOSE

LUPPIT

This is awful
But rewarding
WORKING IN A STOCK EXCHANGE CAN BE THIS.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here :

(Answers tomorrow)

Yesterday's Jumbles: AWASH PURGE GATHER COERCE
Answer: Often the result of a dead battery — A CHARGE CHARGE

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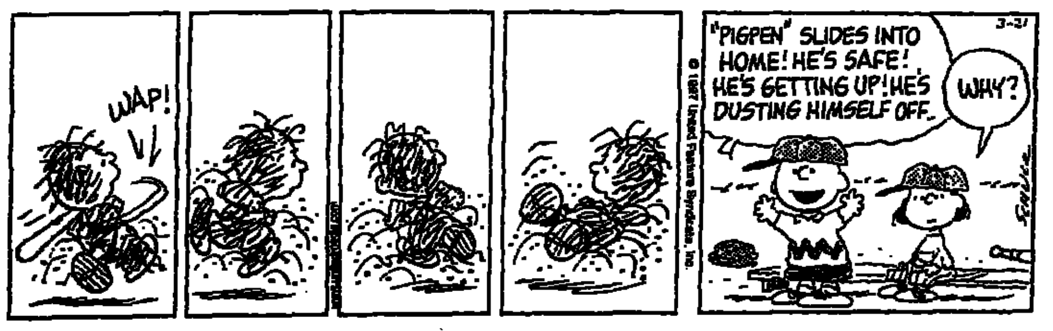
PEANUTS


WAP!
"PIGPEN" SLIDES INTO HOME! HE'S SAFE! HE'S GETTING UP! HE'S DUSTING HIMSELF OFF..
WHY?

CALVIN AND HOBBES

OK, KID, SIT UP STRAIGHT ON THE STOOL AND LOOK RIGHT AT ME. THAT'S IT.
ARE YOU READY TO TAKE MY PICTURE? SHOULD I TAKE OFF MY SHIRT NOW?
KID, WHAT ARE..? DON'T TAKE OFF YOUR SHIRT!!
SEE? I PAINTED A FACE ON MY STOMACH.
KID, PUT YOUR SHIRT BACK ON.
BUT LOOK! WHEN I BREATHE OUT, THE FACE CHANGES! SEE? OK, TAKE ONE QUICK!

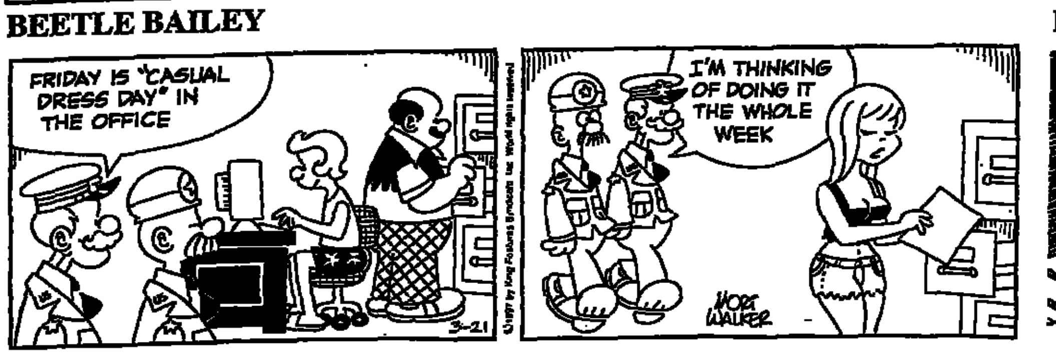
GARFIELD

SAD NEWS FROM HOME, GARFIELD
"DEAR SON: YOUR PET HOG, EARL, HAS PASSED AWAY."
"ENCLOSED ARE SOME DELICIOUS SAUSAGE PATTIES"
WELL, I'M THROUGH GRIEVING. LET'S EAT!

WIZARD of ID

WHAT'S THE BLUE PLATE SPECIAL?
EVERYTHING!...
...WE CAN'T GET THE HUCKLEBERRY STAINS OFF THE DISHES

BEETLE BAILEY


FRIDAY IS "CASUAL DRESS DAY" IN THE OFFICE
I'M THINKING OF DOING IT THE WHOLE WEEK

BLONDIE

IT'S SPRING AGAIN... BIRDS ARE ON THE WING AGAIN
I LOVE THIS TIME OF YEAR! WHEN EVERYTHING ON EARTH RENEWS ITSELF AFTER THE LONG, HARD WINTER!
WELL, ALMOST EVERYTHING

NON SEQUITUR

YOU'RE A TAX AUDITOR? IN THAT CASE, HAND OVER ONE-THIRD OF EVERYTHING YOU'VE GOT...
PROFESSIONAL COURTESY

DOONESBURY

SABATINI'S UNFAIR! SABATINI'S UNFAIR!
NEDDY! TITO! EDUARDO! WHAT ARE YOU DOING?
UM... WE'RE PICKETING YOU, MRS. SABATINI...
WHAT FOR? WE'RE NEIGHBORS! COME IN AND WE'LL TALK OVER SOME NICE PASTA!
YEAAA!
NO WONDER THE BOSS HATES THESE PEOPLE...
MR. DUKE! WILL YOU JOIN US?

OBSERVER

Vietnam and LBJ

By Russell Baker

NEW YORK — Sometimes the most startling stories barely make it into the papers. Here's one that ran Feb. 15 on an inside page of The New York Times. It discloses that Lyndon Johnson, as early as 1964, viewed the Vietnam War as pointless.

The twist that makes this a tale for a great fiction writer is Johnson's belief that, pointless though it was, Congress would destroy him if he tried to pull out. So he didn't, and so the war destroyed him instead.

The news story is based on two tapes of Johnson's 1964 telephone conversations, released by the Johnson presidential library. In one he was talking to McGeorge Bundy, his national security adviser; in the other, with Senator Richard B. Russell, chairman of the Armed Services Committee and one of Johnson's closest friends. "The biggest damn mess I ever saw," Johnson says on one tape. "I don't think it's worth fighting for, and I don't think we can get out."

□

Thus Johnson in the spring of the 1964 election year. He won that election by a landslide while depicting the Republican Barry Goldwater as a war lover too dangerous to be trusted with control of the atomic bomb.

Starting with their investigations of communist influences on the Roosevelt and Truman governments in the 1950s, Republicans found it politically rewarding to accuse Democrats of being "soft on communism." Richard Nixon was famous for his pioneering toil in this vein.

By the 1950s anti-communism had become the glue binding an otherwise divided Republican Party in brotherhood. And, oh, how powerful were its juices! The Chinese Communist victory in Asia, happening during the Truman years, encouraged Republicans to ask, "Who lost China?" Only a dunce could doubt that the answer was: "Those soft-on-communism Democrats, they lost China."

At the same time — even more terrifying — the Soviets had our atom bomb. Had probably stolen the secret of how to make it. Maybe Democrats had made it easy for them, Democrats not being sufficiently worried about communism to weed Red scientists out of our atom-bomb plants.

Soon more ruthless Republican campaigners were calling the Roosevelt and Truman years "20 years of treason." Johnson had lived through all this and seen the party battered for not matching Republicans in anti-communist zeal.

And what was the Vietnam War? An anti-communist attempt to prevent global conquest by Marxism. In 1964 Johnson had sound reason to suppose that pulling out of Vietnam just because it was pointless would have terrible consequences.

The anti-communist passion of Americans was still too strong for any president to acknowledge that the Vietnam game was not worth the medal. After President Kennedy's death, colleagues said he would have pulled out if re-elected in 1964. Maybe, maybe not. Who knows? What we do know now is that Johnson realized from the start that he was marching resolutely to nowhere.

Another decade of pointless dying ensued largely because long-embedded American political passions demanded it.

New York Times Service

Both Raw and Elegant: De Kooning's Contrasts

By Paul Richard
Washington Post Service

WASHINGTON — Willem de Kooning, who died Wednesday at age 92 at his studio on Long Island, never knew precisely, never chose to know, where it was that he was headed. He loved the slippage and the flow of the open situation. His restlessness was constant.

De Kooning, about 1975.

In Manhattan in the '40s — when that city seized the lead in vanguard art from Paris — he helped bring something new, a courageous spontaneity, a sudden physicality, to the act of painting pictures. "He was it," said Jackson Pollock.

His paintings clash and tremble. They are elegant and vulgar, abstract and representational, lyrical and raw, and they are all these things at once. Everything about his art shivers with uncertainty. He painted anguished men in shadowed rooms, and large ferocious women, and lyrical evocations of sunlight on the sand. And always he moved on. He linked abstraction to the figure, and the figure to its ground, and the harsh, explosive gesture of the new action painting to portraiture and landscape. Beneath the pressure of his fierce attack, boundaries dissolved.

Do not try to see him as an abstract painter only. Consider him, instead, America's Dutch master. You heard Holland in his voice; and you saw it in his art. In his ceaseless explorations, the courage and the seeking and the saucy secularity of Dutch sailors and adventurers are somehow reunited with the look of light on water and the free and energetic brushwork of Frans Hals.

Countless younger painters tried to follow his example, but not one had his vehemence, and none could match the singing tensile energy — or the power of suggestion — of his ever-changing line.

"He wanted everything in the picture out of equilibrium except the spontaneity of it all," wrote his downtown New York neighbor, dance critic Edwin Denby.

"With de Kooning," his painter pal Franz Kline said, "the procedure is continual change, and the immediacy of the change."

De Kooning dreaded resolution. His paintings, like his airy studio by the beach, were famously unfinished. He'd build them, then destroy them, then rebuild them once again. "One month a gazebo rises on the lawn; then the fireplace is reshaped; next a portico is threatened," the critic Thomas Hess wrote of de Kooning's studio at the Pines near East Hampton on Long Island. He "probably always will be building."

De Kooning all his life was secure in insecurity. He enjoyed getting lost. He said, in 1949: "In Genesis it is said that in the beginning was the void and God acted upon it. For an artist that is clear enough. . . . One is utterly lost in space forever. You can float in it, fly in it, suspend in it, and today it seems, to tremble in it is maybe the best. . . . In art, one idea is as good as another. If one takes the idea of trembling, for instance, all of a sudden most of art starts to tremble. Michelangelo starts to tremble, El Greco starts to tremble. All the Impressionists start to tremble. . . . Cezanne was always trembling, but very precisely."

He said he made his pictures with "no fear, but a lot of trembling." That phrase, a gloss of Kierkegaard, is about as close as de Kooning got to scholarship. He was no intellectual. He said, "I have no message."

He loved drawing with his eyes closed, or while looking at the television screen, or with charcoal in both hands. Like the other Abstract Expressionists, he painted in a kind of trance. But de Kooning, more than most, was unsure of what he sought. He would know it when he found it. The vision he was seeking kept dissolving and retreating. He couldn't quite describe it. It was, he said, "a glimpse of something, an encounter, like a flash."

He did not always hit. His sculptures seem, at times, crude and inexplicable. The worst of his blind drawings are little more than scribbles. And for a while, in the '70s, the garish women that he kept painting looked like laughable cartoons of the goddess-monsters he had conjured 20 years before.

In New York he was lionized as an existential hero — a runner of great risks, a confronter of the void, a daring art-world version of Hemingway or Camus, Philip Marlowe or Sam Spade.

He was an action painter, truly, one of those New Yorkers who, in a phrase of Harold Rosenberg's, looked upon the canvas as "an arena in which to act." "It can be described (in a simile) as a shift from aesthetics to ethics," Hess wrote of the new attitude. "The picture was no longer supposed to be Beautiful, but True — an accurate representation or equivalence of the artist's inner sensations and experience. If this meant that the painting had to look vulgar, battered and clumsy — so much the better."

The new Abstract Expressionism took over all at once. By the early 1950s, de Kooning was a painter known around the world.

"There is no single figure," Sam Hunter wrote in 1958, "who has exerted greater influence on American painting over the past decade."

"Woman (Green)," one of his series.

De Kooning's reputation floundered for a while in the 1960s. The women he kept painting were primarily responsible. Though he had put them in his pictures since the 1930s, their newest incarnations were viewed as unacceptable. They were, or so his '60s critics kept insistently repeating, insufficiently abstract.

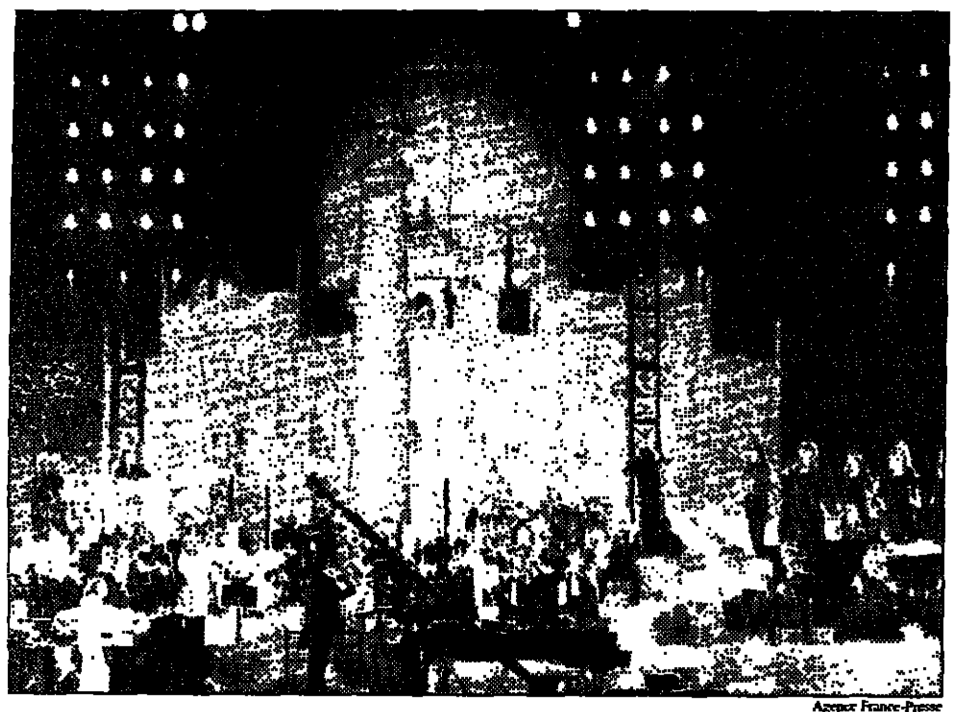
Abstract Expressionist painters were supposed to paint abstractions. History demanded it. So did such art-world powers as the critic Clement Greenberg, who wholeheartedly believed that the most important thrust of all of modern painting was that of "the growing rejection of an illusion of the third dimension."

Greenberg once had told de Kooning, "It is impossible today to paint a face." "That's right," de Kooning answered, "and it's impossible not to." But such wisecracks didn't help. Deep space was bad enough. No theory of the new seemed broad enough to welcome her breasts and hips and teeth.

But there was no way to ignore her. "The painting," Hess wrote, "questioned the smug traditionalism of vanguard abstract art, and it also struck a nerve in a larger collective unconscious which had considered the subject of Woman to be safe, sane, and above all pretty. . . . De Kooning's Woman . . . stuns the viewer. Above all — she is so ugly."

She was, wrote Leo Steinberg in 1953, "part witch, part farmer's daughter, part mother and part whore." "Her image," Sidney Geist wrote, "exists in the vast area between something scratched on the wall of a cave and something scratched on the wall of a urinal." There was an aura of great violence in her lacerated likeness. She hadn't just been summoned. She'd been ferociously attacked.

"Nobody even noticed," said de Kooning, "that she was funny."



Agence France-Presse

WHERE GREECE MEETS INDIA — The Greek-composer Yanni in the first of three concerts on the bank of the Yamuna River behind the Taj Mahal in Agra.

PEOPLE

THE successful bidder for a 7-foot roll of Associated Press wire copy detailing moment-by-moment developments the day **President John F. Kennedy** was assassinated called her find "a very serious piece of history." The dispatches were bought by **Judi Kaller**, president of Kaller's America Shoppe and Gallery Inc. for $10,000, who says she'll exhibit them at her gallery in Macy's department store. The AP dispatches — which cover about 90 minutes after the shots were fired — begin with a digest of the news of the day, including a scandal at the New York Stock Exchange and a shooting at a child's birthday party. Then the copy breaks in with: "BULLETIN Dallas Nov. 22 (AP) President Kennedy was shot today just as his motorcade left downtown Dallas. Mrs. Kennedy jumped up and grabbed Mr. Kennedy. She cried, Oh no! The motorcade sped on."

□

The countdown to the Academy Awards, which pits a lone studio film, "Jerry Maguire," against four independent movies, has struck a discordant note in Hollywood. It's Us versus Them. "Everyone I know is voting for 'Jerry Maguire,' " a Paramount executive said. At Universal Pictures, an executive said, "There are absolutely many executives who are doing this — voting for 'Jerry Maguire' because it's the one studio movie." At Disney, an executive said, "I feel there's a little patriotism at play here." Although Miramax's **Anthony Minghella**'s "English Patient," a wartime romance that has earned 12 Oscar nominations, remains odds-on favorite to win best picture at the ceremony on Monday night, studio executives appear to have voted in substantial numbers for one of their own — Sony's "Jerry Maguire," the **Cameron Crowe** comedy-drama about a sports agent, played by **Tom Cruise**, who finds his heart and soul.

□

Sir Alec Guinness, who played the wise old Jedi warrior, Obi-Wan Kenobi, in "Star Wars," refused to attend the gala London premiere of its re-release on Thursday. "The hype over the reissue of 'Star Wars' and the constant demands for interviews from the press, magazines, radio and TV have got me down and my only refuge is to refuse everything," the 82-year-old Oscar-winner said.

□

"Disturbing." "Painful." "Hyperkinetic." "Sad spectacle." Rarely are such blunt words used by a variety of critics to describe a performance. But when the performer is the subject of a tremendously popular movie with a warm and fuzzy story line of triumph over torment, does it matter? Not to the 3,000-member audience for pianist **David Helfgott**'s New York debut. Despite the critics' near-unanimous thumbs down at Helfgott's first U.S. concert two weeks earlier in Boston, the sellout crowd at Avery Fisher Hall just loved him. The 49-year-old Australian pianist, whose struggle with mental illness is depicted in **Scott Hicks**'s movie "Shine," got four standing ovations from an audience in a city he spent years trying to reach.

□

Jerry Lee Lewis and his daughter **Fibi** arrived in Moscow Thursday to give two concerts. Their performances are part of a concert series called "Heros of Rock and Roll," bringing in stars from the 1950s and '60s. **Chuck Berry** came in February and **Little Richard** is expected.

□

Henny Youngman celebrated his 91st birthday, and his material's not getting any younger, either. When the king of the one-liners sat down with his family, friends and a few reporters for lunch and a few laughs, it took only the slightest prodding for him to slip back into his tried and true routines. Example: Henny, to what can you attribute your longevity? "Breathing."

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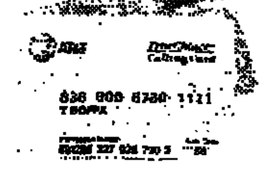

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